



Atlanta, Georgia

October • 1964

Also in this issue:

**FARM INCOME
NEAR RECORD HIGH**

**SIXTH DISTRICT
STATISTICS**

**DISTRICT BUSINESS
CONDITIONS**

*Federal
Reserve
Bank of
Atlanta*

Monthly Review

Federal Reserve Bank Membership — Fifty Years in Review

When the Federal Reserve Bank of Atlanta opened its doors on November 16, 1914, its services were made available to 381 national banks and one state member bank, or to less than twenty percent of all commercial banks in the newly constituted Sixth District. Almost fifty years later, by the end of June 1964, the number of national banks had increased by 39, state bank membership had risen to 69, while the total number of banks in the District had been reduced by one fourth. As a result, member banks accounted for almost one third of the number of all banks in the area, an all-time record.

These changes came about as a result of many factors operating during the intervening years. New members were added every year, ranging from one in 1938 to 63 in 1921, when 49 state banks in the District joined the Federal Reserve System. Only in 1963 were there no losses in membership, while in 1930, the year of the largest exodus, 49 banks were lost to the System, almost half from suspensions or insolvencies. The table presented on Pages 2 and 3 summarizes these and other changes that have taken place in Federal Reserve membership in this part of the South since 1914.

Changes stemming from each of the various factors affecting membership have tended to be bunched into relatively short periods of time. For example, over one fifth of the newly organized national banks have appeared in the past two and one-half years, and another third of these banks were opened during the 1920's. During both of these periods, the Comptroller of the Currency's office was especially liberal in granting new bank charters. Over half of the 283 state banks that have been brought into System membership in the past half century were admitted between 1918 and 1922, when Federal Reserve authorities were actively soliciting such memberships.

Viewing the "losses of membership" side of the ledger, the major factor, suspension or insolvency, was most prevalent in the early years of the great depression of the 1930's. As a matter of fact, there have been no member bank failures in the Sixth District since 1934. Mergers between member banks were also concentrated in the early 1930's, while conversion of member banks to nonmember status was most frequent in the early years of the System.

The large number of failures that occurred in the Corn Belt during the 1920's and the merger movements that have swept many parts of the country since World War II have sharply reduced the number of both member and nonmember banks in the nation as a whole. As a result, the number of member banks in 1963, as a percentage of the peak number, ranged from 20 percent in the San Francisco District to about 75 percent in the Dallas area but was almost 90 percent in the Sixth District. Sparked by the organization of several new national banks, notably in Florida, System membership in the Sixth District can be expected to exceed the 1920-peak level sometime in 1965.

**Member Banks in the
Change**

	1914	1915	1916	1917	1918	1919	1920
Membership, First of Year	381	383	383	392	426	426	426
Additions to Membership:							
Organization of National Banks	4	3	5	7	8		
Conversion of Nonmember Banks to National Banks	5	3	2		4		
Admission of State Banks	1	2	16	32	16	2	
Resumption Following Suspension	1		1				
Total Additions	11	24 ²	24	39	28	3	
Losses of Membership:							
Mergers Between Member Banks	2	7	3		7		
Suspension or Insolvency	4	3	1				
Withdrawal of State Banks					3		
Voluntary Liquidation	1	4		5	1		
Conversion of Member to Nonmember Banks ⁴	2	10	11		17		
Total Losses	9	24	15	5	28		
Net Change	- 2	0	+ 9	+34	0	+3	
Membership, End of Year	381	383	383	392	426	426	46
National Banks	380	381	379	372	372	362	37
State Banks	1	2	4	20	54	64	8
Total Banks in District ⁵					1980	2000	210
Percent Member Banks of All Banks					21.5	21.3	28

	1940	1941	1942	1943	1944	1945	1946
Membership, First of Year	315	316	317	318	316	316	325
Additions to Membership:							
Organization of National Banks		2		1	2		
Conversion of Nonmember Banks to National Banks					2	4	
Admission of State Banks	3	1	2	3	3	7	
Resumption Following Suspension							
Total Additions	3	3	2	4	7	11	9
Losses of Membership:							
Mergers Between Member Banks	1						
Suspension or Insolvency							
Withdrawal of State Banks		2	1	1	5	1	3
Voluntary Liquidation					2	1	
Conversion of Member to Nonmember Banks ⁴	1			5			
Total Losses	2	2	1	6	7	2	3
Net Change	+ 1	+ 1	+ 1	- 2	+ 0	+ 9	+ 6
Membership, End of Year	316	317	318	316	316	325	331
National Banks	262	263	263	260	265	268	272
State Banks	54	54	55	56	51	57	59
Total Banks in District ⁵	1093	1103	1098	1096	1104	1115	1144
Percent Member Banks of All Banks	28.9	28.7	29.0	28.8	28.6	29.1	28.9

¹ Includes one unclassified addition.

² Includes 16 banks transferred from other districts.

³ Includes transfers and unclassified addition.

⁴ Includes conversion of national banks to nonmember banks and absorptions by nonmembers.

**St. Louis Federal Reserve District
Membership**

1921	1922	1923	1924	1925	1926	1927	1928	1929	1930	1931	1932	1933	1934	1935	1936	1937	1938	1939
460	512	536	525	510	495	475	464	453	428	390	349 ¹	323	309	332	328	330	324	320
8	12	8	11	6	10	3	6	12	2	2	1	-----	17	1	2	2	-----	-----
5	-----	-----	4	-----	-----	3	1	-----	5	-----	-----	-----	-----	-----	-----	-----	-----	-----
49	22	6	5	1	3	-----	1	-----	3	2	2	23	3	1	2	3	1	2
1	-----	-----	1	1	-----	-----	1	2	1	2	1	-----	4	-----	-----	-----	-----	-----
63	34	14	21	8	13	6	9	14	11	6	4	23	24	2	4	5	1	2
4	2	6	10	2	9	8	6	10	20	12	1	-----	1	4	-----	3	-----	-----
1	3	3	16	15	12	6	7	23	22	30	27	37	-----	-----	-----	-----	-----	-----
1	1	8	4	4	8	3	5	3	4	2	1	-----	-----	-----	1	3	4	2
2	2	-----	2	-----	2	-----	2	3	-----	-----	-----	-----	-----	1	1	1	-----	1
3	2	8	4	2	2	-----	-----	-----	3	4	1	-----	-----	1	-----	4	1	4
11	10	25	36	23	33	17	20	39	49	48	30	37	1	6	2	11	5	7
-52	+24	-11	-15	-15	-20	-11	-11	-25	-38	-42	-26	-14	+23	-4	+2	-6	-4	-5
512	536	525	510	495	475	464	453	428	390	348	323	309 ⁶	332	328	330	324	320	315
385	393	385	382	379	378	380	377	366	341	304	285	255	277	273	274	269	268	264
127	143	140	128	116	97	84	76	62	49	44	38	54	55	55	56	55	52	51
2058	2045	2032	1998	1963	1865	1792	1726	1608	1438	1290	1162	1055 ⁶	1094	1084	1096	1101	1098	1099
24.9	26.2	25.8	25.5	25.2	25.5	25.9	26.2	26.6	27.1	27.0	27.8	29.3	30.3	30.3	30.1	29.4	29.1	28.7

1947	1948	1949	1950	1951	1952	1953	1954	1955	1956	1957	1958	1959	1960	1961	1962	1963	1964 ⁷	Total
331	340	346	351	353	355	360	363	373	379	391	397	401	403	418	420	430	467	-----
3	2	-----	1	2	4	2	5	7	12	6	4	4	11	2	10	31	22	271
1	1	1	-----	1	-----	1	4	2	1	-----	1	-----	3	-----	2	4	1	71
6	4	5	2	-----	3	1	2	1	2	3	1	-----	4	1	-----	2	1	283
10	7	6	3	3	7	4	11	10	15	9	6	4	18	3	12	37	24	657 ³
-----	-----	1	1	-----	-----	1	1	3	1	-----	-----	-----	1	1	2	-----	-----	133
-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	210
-----	-----	-----	-----	1	2	-----	-----	-----	-----	1	2	1	2	-----	-----	-----	1	80
1	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	33
-----	1	-----	-----	-----	-----	-----	-----	1	2	2	-----	1	-----	-----	-----	-----	1	94
1	1	1	1	1	2	1	1	4	3	3	2	2	3	1	2	0	2	550
+9	+6	+5	+2	+2	+5	+3	+10	+6	+12	+6	+4	+2	+15	+2	+10	+37	+22	+107
340	346	351	353	355	360	363	373	379	391	397	401	403	418	420	430	467	489	-----
276	279	281	283	286	289	292	303	310	320	325	331	335	349	350	360	397	420	-----
64	67	70	70	69	71	71	70	69	71	72	70	68	69	70	70	70	69	-----
166	1183	1188	1197	1217	1224	1231	1244	1268	1298	1312	1323	1337	1367	1382	1405	1456	1496	-----
29.2	29.2	29.5	29.5	29.2	29.4	29.5	30.0	29.9	30.1	30.3	30.3	30.1	30.6	30.4	30.6	32.1	32.7	-----

³ Number of par and non-par banks in the District at end of year. From 1934 through 1964, total banks includes substantial number of private banks not theretofore included.

⁶ Total banks in District includes non-licensed nonmember banks, while membership includes only licensed members.

⁷ First six months of 1964.

Source: Compiled from *Annual Reports* of the Federal Reserve Board, *Annual Reports* of the Federal Reserve Bank of Atlanta, and the Bank Examination Department, Federal Reserve Bank of Atlanta.

Farm Income Near Record High

Things were better last year, say many farmers, especially those who produce the District's major cash crops. In fact, they are able to point out enough sour spots in the farm production effort this year to give an overall impression of sluggishness. This image emerges partly because 1963 was a banner production and income year for many farmers. Yields for important major crops rose to new records, and cash receipts from farm marketings in the District states jumped \$316 million to a \$4.2-billion record. Total cash receipts for 1964 seem destined to fall somewhat short of that peak.

Both output and prices for major crops, as well as prices for some livestock products, have been below last year's levels thus far in 1964. Furthermore, a major reversal in these trends probably is not in the cards for the remaining months of the current season. Yet, some farmers, notably citrus and sugarcane growers in Florida and hog and egg producers throughout this region, will likely wind up their 1964 seasons with an increase in cash receipts. Even so, the 1964 production year in the District's farm economy will only be satisfactory rather than record shattering as was last year's.

Crosscurrents in Production and Prices

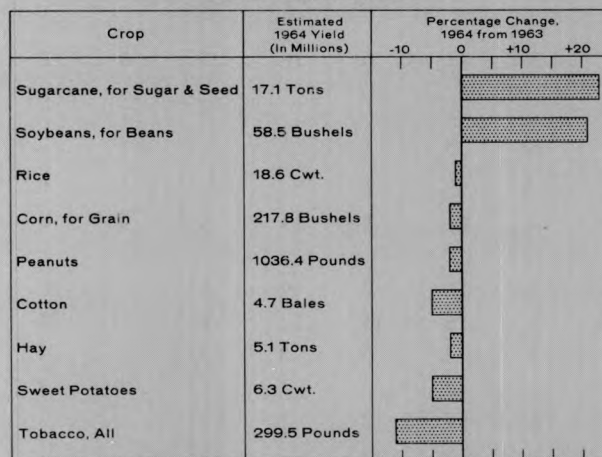
Admittedly, it is difficult for farmers always to achieve higher peaks in production and income. In their struggle to outdo themselves this year, some farmers hit the nasty snags of reduced acreage allotments, rampaging weather, and sagging prices. Others, however, have benefited from increased plantings, larger herds and flocks, and a rise in prices.

Official farm production estimates provided by the United States Department of Agriculture indicate that total crop output in the District states in 1964 will be down from last year's. The downswing stems primarily from smaller likely yields of cotton, tobacco, corn, and peanuts, the region's predominant crops.

Cotton growers, who normally receive about 20 percent of the region's farm cash receipts, are experiencing an income shrinkage. On September 1, the prospective 1964 cotton crop for the District states was estimated to be 5 percent smaller than the 4.9-million bale crop in 1963. Nationally, the crop is 3 percent smaller. The curtailed output in District states is almost wholly attributable to lower yields, since cotton growers planted only slightly fewer acres than in 1963. In Louisiana, sharply depressed yields stemming from untimely dry weather are pushing the expected output down 12 percent from the extraordinarily large yield a year ago. For similar reasons, yields will be 7 percent lower this year in Georgia. Because more favorable weather for cotton has prevailed in Alabama, Mississippi, and Tennessee, smaller reductions from the high 1963 turnout are expected in those states. In parts of Mississippi, the crop size will be little changed from the unusually large output last year.

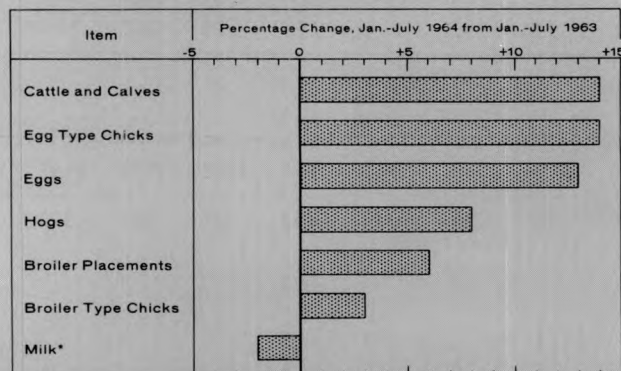
Prices for cotton also have dropped, primarily because

Production of Major Crops in 1964 Sixth District States



Source: Crop production estimates of the U. S. Department of Agriculture on September 1, 1964.

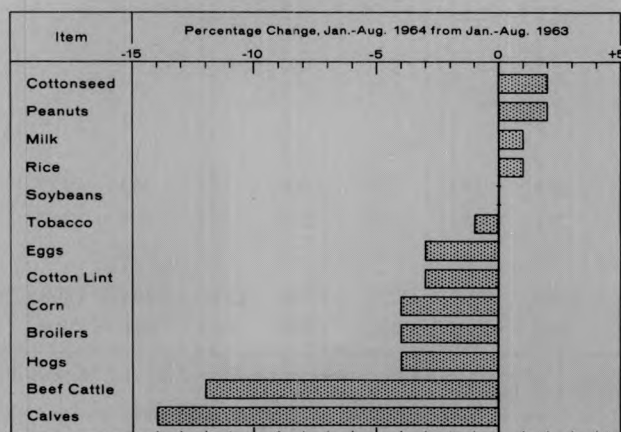
Changes in Production of Livestock and Poultry Products Sixth District States



*Milk production calculation excludes Louisiana.

Source: U. S. Department of Agriculture.

Change in Average Prices* Received by Farmers Sixth District States



*Mid-month.

Source: U. S. Department of Agriculture.

price supports have been reduced. Legislation enacted by Congress early in 1964 set the support level, based on Middling one-inch cotton, at 30 cents a pound, down about 2.5 cents from the comparable 1963 support price. In south-central Georgia, the average price received for cotton may be pressed even lower if wind and rain from Hurricane Dora in September damaged the crop's overall quality.

A shrinkage in income this year also is occurring in the flue-cured and burley tobacco belts located in Georgia, Florida, and Tennessee. Although both acreage and yields were off sharply in the flue-cured belt, available estimates indicate that the yields per acre of burley tobacco will be only slightly lower when the harvest ends later this year. Prices for tobaccos may average fractionally higher than those in 1963, partly because of the higher price support level and because the flue-cured crop brought a near-record price of 58.6 cents a pound, more than a cent higher than the 1963 average.

While the cotton and tobacco crops will subtract from total farm cash receipts this year, income from sugarcane, soybeans, and citrus should provide a sizable boost. The projected gains in the output of sugarcane and soybeans are 23 percent and 21 percent, respectively. The surge in the sugarcane crop is occurring in Florida, as the Louisiana crop was damaged severely by Hurricane Hilda. Since wholesale prices for raw sugar have declined since early 1964, there is little prospect that this fall's cane harvest will sell at the unusually high price that prevailed during the last season. Mississippi, Tennessee, and Louisiana stand out as the prime beneficiaries of the larger soybean crop. The price support for soybeans, now at \$2.25 a bushel, will continue to provide protection against price declines. However, since prospects for the U. S. crop recently have been lowered by droughts, soybean prices throughout the nation may remain relatively favorable.

Citrus growers wound up their 1963-64 season last June with a total yield about a fifth smaller than in the previous season. The reduced yield reflected extensive tree damage caused by the severe freeze in the Florida Citrus Belt in December 1962. Though the crop had shrunk last season, average prices for citrus rose almost 80 percent, thus lifting growers' incomes substantially. Of course, individual growers who lost their trees did not fare well last season, and this fall some citrus growers again suffered losses as Hurricane Cleo swept along Florida's East Coast in late August blowing grapefruit and oranges from trees in her path.

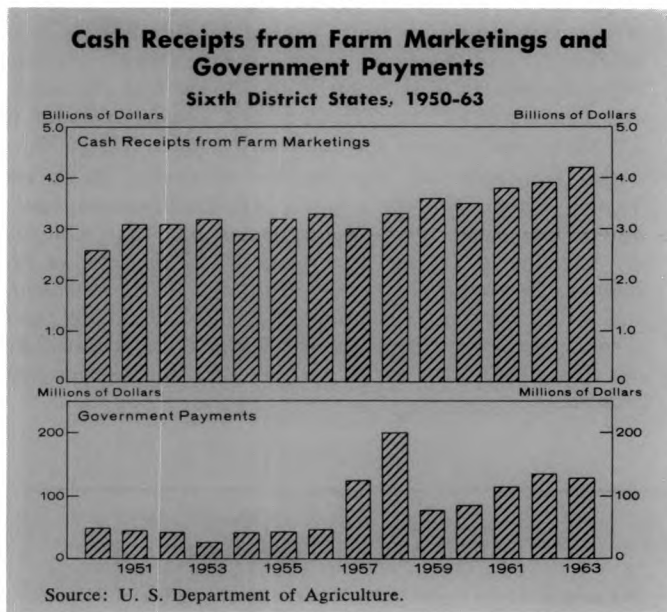
Two other District crops have been turning in good records this year. Receipts from the vegetable crop, produced mostly in Florida, were relatively favorable. Also, a strengthening in the market for wood pulp induced a step-up in pulpwood harvests and shipments to pulp and paper mills. Although the wholesale price for wood pulp has risen above year-earlier levels, the increase has been modest and suggests that prices for pulpwood stumpage have not changed much from earlier levels.

Unlike many cash crop farmers who had to reduce their output, most livestock and poultry producers have pushed their production throttles forward. The most recent figures

on marketings covering the first seven months of 1964 herald a substantial boost over last year's volume. Few signs point to a diminution in shipments at present or a cutback by year end. However, prices for livestock and poultry products have been pressed down under the growing weight of available supplies, thus restricting the overall income gain in this sector. Cash receipts from cattle sales have been lower than those in 1963, and the 1964 total probably will be less than last year's. Receipts from hogs, however, have built up this year because shipments have risen 8 percent, while prices on the average have declined only 3 percent. Producers of milk and eggs also are realizing larger gross receipts, but broiler growers have received less cash from their sales to date. When we strike a balance of these income developments, it seems that the District's cash receipts from livestock and poultry products in 1964 will just about match last year's total.

Total Income Recedes

So many pieces of the total farm income puzzle are missing at present that a complete picture is impossible. There is a fairly clear-cut impression, however, that farm cash receipts in this region will not rise to the record reached in 1963 but probably will come close to it. This



outcome would be a highly satisfactory one when cast against the losses from Cleo, Dora, and Hilda, other weather adversities, and some reduced plantings. Even these blows—however cruel for some—did not produce a widespread income loss. Government payments, primarily to crop farmers, will again sustain farm income in the District this year. Whether they will exceed the \$128 million total in 1963 is questionable, particularly since few cotton growers cut their acreages to obtain the income payments available to farmers who reduced their plantings.

The farm income aggregates of the District states, although slightly lower than in 1963, remain in the high range that has prevailed since the early 1950's. Such is the dynamism of the District's agriculture that it continues to strengthen the position of many individual farmers, as well as that of the overall economy.

ARTHUR H. KANTNER

Bank Announcements

On September 11, the BANK OF HOLLYWOOD HILLS, Hollywood, Florida, a newly organized nonmember bank, opened for business and began to remit at par for checks drawn on it when received from the Federal Reserve Bank. Officers are A. L. Mailman, Chairman of the Board; Stanley M. Beckerman, Vice Chairman of the Board; Robert Anderson, President; David H. Aucamp, Jr., Executive Vice President; Robert W. Gordon, Vice President; and Walter R. Pearson, Jr., Cashier. Capital is \$400,000, and surplus and undivided profits, \$180,000.

The SECURITY BANK AND TRUST COMPANY, Arab, Alabama, a newly organized nonmember bank, opened for business on September 11 and began to remit at par. Officers include Richard T. Byrd, Chairman of the Board; Joe F. Hollis, President; and Charles L. Willman, Vice President and Cashier. Capital is \$150,000, and surplus and undivided profits, \$150,000.

On September 18, the MCINTOSH STATE BANK, Jackson, Georgia, a newly organized nonmember bank, opened for business and began to remit at par. Officers are H. Wayne Barnes, Chairman of the Board; W. H. Shapard, President; and Henry L. Asbury, Vice President and Cashier. Capital is \$150,000, and surplus and undivided profits, \$75,000.

The BANK OF INDIAN ROCKS, Largo, Florida, a newly organized nonmember bank, opened for business on September 22 and began to remit at par. Officers include John A. Jenkins, Chairman of the Board and President; and Lee Wasson, Vice President and Cashier. Capital is \$300,000, and surplus and undivided profits, \$150,000.

On September 28, the SECOND NATIONAL BANK OF TAMPA, Tampa, Florida, a newly organized member bank, opened for business and began to remit at par. Officers are Richard A. Liggett, Chairman of the Board; Lee M. Bentley, President; George M. Holsinger, Vice President; and T. C. Farrington, Cashier. Capital is \$250,000, and surplus and other capital funds, \$250,000, as reported by the Comptroller of Currency at the time the charter was granted.

DEDICATION CEREMONY

The new building housing the Federal Reserve Bank of Atlanta was formally dedicated on Friday, October 9, by the Bank's President, Malcolm Bryan. For this occasion, the Directors of the Head Office held a joint meeting with the Boards of the Birmingham, Jacksonville, Nashville, and New Orleans Branches.

William McChesney Martin, Chairman of the Board of Governors of the Federal Reserve System, addressed the group.

Among the distinguished guests attending the ceremony were former Chairmen of the Atlanta Board of Directors Frank H. Neely, Rufus C. Harris, and Walter M. Mitchell; former members of the Board; representatives from local member banks; Federal and state supervisory authorities; Senator Herman Talmadge; Congressmen Robert G. Stephens and Charles L. Weltner; Mayor Ivan Allen; and Fulton County Commissioner Harold McCart.

The affair also celebrated the fiftieth anniversary of the Bank and the System.

Debits to Demand Deposit Accounts Insured Commercial Banks in the Sixth District (In Thousands of Dollars)

	Aug. 1964	July 1964	Aug. 1963	Percent Change		
				Year-to-date 8 Months		
				Aug. 1964 from July 1964	Aug. 1963 from July 1963	Aug. 1964 from Aug. 1963
				Aug. 1964 from July 1964	Aug. 1963 from July 1963	Aug. 1964 from Aug. 1963
STANDARD METROPOLITAN STATISTICAL AREAS†						
Birmingham . . .	1,156,865	1,148,142	1,024,141	+1	+13	+10
Gadsden . . .	58,615	60,488	53,717	-3	+9	+10
Huntsville . . .	140,020	148,003	127,269	-5	+10	+21
Mobile . . .	382,801	406,537	353,088	-6	+8	+8
Montgomery . . .	257,416	250,437	250,823	+3	+3	+5
Tuscaloosa . . .	70,256	81,840	71,191	-14	-1	+8
Ft. Lauderdale- Hollywood						
Jacksonville . . .	344,432	396,628	330,098	-13	+4	+12
Miami . . .	1,110,151	1,270,601	1,020,856	-13	+9	+15
Orlando . . .	1,412,151	1,645,466r	1,360,512	-14	+4	+6
Pensacola . . .	404,379	510,737	386,086	-21	+5	+10
Tampa- St. Petersburg . . .	152,815	161,516r	140,129	-5	+9	+12
W. Palm Beach . . .	919,406	1,002,180	885,530	-8	+4	+9
Albany . . .	250,866	320,284	238,917	-22	+5	+10
Atlanta . . .	64,478	74,663	60,541	-14	+7	+10
Augusta* . . .	3,271,513	3,579,718	3,258,549	-9	+0	+6
Columbus . . .	163,019	172,292	148,196	-5	+10	+9
Macon . . .	182,961	191,907	155,469	-5	+18	+18
Savannah . . .	160,116	171,109	168,171	-6	-5	+5
Baton Rouge . . .	200,493	238,369	203,288	-16	-1	+11
Lafayette . . .	349,877	378,979	314,640	-8	+11	+5
Lake Charles . . .	84,050	93,294	80,557	-10	+4	+8
New Orleans . . .	89,370	107,031r	96,346r	-17	-7	+3r
Jackson . . .	1,754,823	1,933,342	1,661,817	-9	+6	+10
Chattanooga . . .	426,483	478,164	401,843	-11	+6	+12
Knoxville . . .	408,006	452,308	389,262	-10	+5	+9
Nashville . . .	356,719	382,439	349,099	-7	+2	+7
Nashville . . .	1,060,660	1,098,998r	995,420	-3	+7	+13
OTHER CENTERS						
Anniston . . .	49,799	53,902	48,727	-8	+2	+6
Dothan . . .	43,888	46,470	42,508	-6	+3	+7
Selma . . .	31,946	32,601	30,892	-2	+3	+13
Bartow . . .	20,993	28,045	20,162	-25	+4	+13
Bradenton . . .	40,398	51,465	41,922	-22	-4	+4r
Brevard County . . .	152,193	165,827	136,566	-8	+11	+28
Daytona Beach . . .	65,952	85,215	65,036	-23	+1	+8
Ft. Myers-						
N. Ft. Myers . . .	48,999	55,662	46,648	-12	+5	+7
Gainesville . . .	59,958	64,097	53,346	-6	+12	+13
Key West . . .	17,829	21,885	17,287	-19	+3	+10
Lakeland . . .	81,340	97,080	81,440	-16	-0	+4
Ocala . . .	41,433	49,256	43,534	-16	-5	+5
St. Augustine . . .	15,590	17,023	14,887	-8	+5	+4
St. Petersburg . . .	222,870	256,258	215,989	-13	+3	+8
Sarasota . . .	69,046	88,270	72,084	-22	-4	+4
Tallahassee . . .	88,466	94,599	77,443	-6	+14	+12
Tampa . . .	489,604	514,895	469,623	-5	+4	+9
Winter Haven . . .	43,556	59,879	38,131	-13	+14	+15
Athens . . .	51,234	59,706	48,848	-14	+5	+10
Brunswick . . .	36,908	41,338	33,536	-11	+10	+9
Dalton . . .	71,323	66,907	59,402	+7	+20	+22
Elberton . . .	10,567	12,913	12,314	-18	-14	+10
Gainesville . . .	60,761	70,378	60,558	-14	+0	+6
Griffin . . .	25,112	25,817	22,449	-3	+12	+9
LaGrange . . .	17,615	18,762	16,254	-6	+8	+12
Newnan . . .	23,050	26,856	23,599	-14	-2	+8
Rome . . .	55,079	60,535	52,879	-9	+4	+12
Valdosta . . .	47,543	46,722	44,566	+2	+7	+12
Abbeville . . .	7,560	8,347	8,182	-9	-8	+6
Alexandria . . .	97,894	103,285	91,429	-5	+7	+10
Bunkie . . .	4,535	5,013	4,681	-10	-3	+2
Hammond . . .	25,314	27,273	24,194	-7	+5	+7
New Iberia . . .	27,148	29,638	25,057	-8	+8	+18
Plaquemine . . .	7,853	8,310	6,692	-5	+17	+16
Thibodaux . . .	15,730	19,518	14,495	-19	+9	+13
Biloxi-Gulfport . . .	70,593	76,800	71,786	-8	-2	+6
Hattiesburg . . .	41,955	42,636	40,007	-2	+5	+6
Laurel . . .	31,089	34,026	30,835	-9	+1	+8
Meridian . . .	53,456	58,218	50,434	-8	+6	+3
Natchez . . .	29,216	31,409	28,547	-7	+2	+10
Pascagoula-						
Moss Point . . .	46,675	45,850	43,081	+2	+8	+11
Vicksburg . . .	30,365	29,867	25,902	+2	+17	+12
Yazoo City . . .	43,612	23,430	37,994	+86	+15	+13
Bristol . . .	53,801	59,063	52,197	-9	+3	-2
Johnson City . . .	56,195	62,060	51,420	-9	+9	+13
Kingsport . . .	105,530	118,163	95,481	-11	+11	+14
SIXTH DISTRICT, Total						
Alabama† . . .	21,563,725	23,647,100r	20,652,871	-9	+4	+9
Florida† . . .	3,081,932	3,131,726	2,784,907	-2	+11	+4
Georgia† . . .	6,265,308	7,235,602r	6,034,169	-13	+4	+8
Louisiana†** . . .	5,425,542	5,943,845	5,381,880	-9	+1	+7
Mississippi†** . . .	3,007,281	3,311,984	2,839,023	-9	+6	+9
Tennessee†** . . .	1,047,897	1,110,766	985,230	-6	+6	+10
Tennessee†** . . .	2,735,765	2,913,177r	2,627,662	-6	+4	+10
U.S., 344 Cities . . .	323,800,000	368,600,000	300,100,000	-12	+8	+11

*Richmond County only.

**Includes only banks in the Sixth District portion of the state.

†Partially estimated.

r Revised.

Sixth District Statistics

Seasonally Adjusted

(All data are indexes, 1957-59 = 100, unless indicated otherwise.)

		Latest Month (1964)	One Month Ago	Two Months Ago	One Year Ago
SIXTH DISTRICT					
INCOME AND SPENDING					
Personal Income, (Mil. \$, Annual Rate)	July	44,508	43,465r	43,533r	41,506
Manufacturing Payrolls	Aug.	145	144	143	135
Farm Cash Receipts	July	115	110	125	120
Crops	July	99	101	157	117
Livestock	July	121	113	108	123
Department Store Sales**	Sept.	150p	143	133r	130
Installment Credit at Banks, *(Mil. \$)					
New Loans	Aug.	174	191r	179	156
Repayments	Aug.	190	183	173	162
PRODUCTION AND EMPLOYMENT					
Nonfarm Employment	Aug.	116	116	116	113
Manufacturing	Aug.	114	114r	114	111
Apparel	Aug.	136	136	136	133
Chemicals	Aug.	111	112	110	108
Fabricated Metals	Aug.	120	120	119	113
Food	Aug.	107	106	104	105
Lbr., Wood Prod., Furn. & Fix.	Aug.	92	94	93	93
Paper	Aug.	109	110	109	107
Primary Metals	Aug.	103	103r	103	101
Textiles	Aug.	95	96	95	95
Transportation Equipment	Aug.	121	126	124	116
Nonmanufacturing	Aug.	117	117	116	113
Construction	Aug.	107	107	108	101
Farm Employment	Aug.	78	85	87	87
Insured Unemployment, (Percent of Cov. Emp.)	Aug.	2.9	2.9	3.0	3.6
Avg. Weekly Hrs. in Mfg., (Hrs.)	Aug.	41.1	40.7	40.6	40.9
Construction Contracts*	Aug.	129	174	147	123
Residential	Aug.	145	173	159	141
All Other	Aug.	116	174	136	107
Industrial Use of Electric Power	July	121	126	125	118
Cotton Consumption**	Aug.	110	113	106	99
Petrol. Prod. in Coastal La. and Miss.**	Aug.	174	175	169r	171
FINANCE AND BANKING					
Member Bank Loans*					
All Banks	Aug.	180	177	177	154
Leading Cities	Sept.	170	166	165	150
Member Bank Deposits*					
All Banks	Aug.	144	143	144	131
Leading Cities	Sept.	140	136	132	127
Bank Debits**	Aug.	153	145	148	141

ALABAMA

INCOME AND SPENDING					
Personal Income, (Mil. \$, Annual Rate)	July	6,075	5,970r	5,952r	5,754
Manufacturing Payrolls	Aug.	134	129	131	125
Farm Cash Receipts	July	132	119	118	126
Department Store Sales**	Aug.	117	111r	120	107
PRODUCTION AND EMPLOYMENT					
Nonfarm Employment	Aug.	109	109	108	107
Manufacturing	Aug.	104	105	104	102
Nonmanufacturing	Aug.	111	111	110	109
Construction	Aug.	102	102r	103	98
Farm Employment	Aug.	69	83	81	79
Insured Unemployment, (Percent of Cov. Emp.)	Aug.	3.0	3.1	3.2	3.9
Avg. Weekly Hrs. in Mfg., (Hrs.)	Aug.	41.5	40.2r	40.8	41.0
FINANCE AND BANKING					
Member Bank Loans	Aug.	176	173	174	154
Member Bank Deposits	Aug.	145	144	144	131
Bank Debits**	Aug.	158	141	146	137

FLORIDA

INCOME AND SPENDING					
Personal Income, (Mil. \$, Annual Rate)	July	13,083	12,531r	12,721r	11,997
Manufacturing Payrolls	Aug.	176	172r	170	164
Farm Cash Receipts	July	113	79	150	116
Department Store Sales**	Aug.	178	170r	181	162
PRODUCTION AND EMPLOYMENT					
Nonfarm Employment	Aug.	127	126	125	121
Manufacturing	Aug.	130	130r	127	126
Nonmanufacturing	Aug.	126	125r	125	120
Construction	Aug.	98	98r	100	91
Farm Employment	Aug.	82	94	87	92
Insured Unemployment, (Percent of Cov. Emp.)	Aug.	2.5	2.6	2.7	2.9
Avg. Weekly Hrs. in Mfg., (Hrs.)	Aug.	41.7	41.5r	41.1	41.2
FINANCE AND BANKING					
Member Bank Loans	Aug.	183	183	180	154
Member Bank Deposits	Aug.	146	144	144	134
Bank Debits**	Aug.	149	143r	146	137

GEORGIA

INCOME AND SPENDING					
Personal Income, (Mil. \$, Annual Rate)	July	8,328	8,219r	8,131r	7,838
Manufacturing Payrolls	Aug.	143	143r	143	130
Farm Cash Receipts	July	102	116	109	121
Department Store Sales**	Aug.	139	123	142	126
PRODUCTION AND EMPLOYMENT					
Nonfarm Employment	Aug.	117	118	117	114
Manufacturing	Aug.	111	113	113	109
Nonmanufacturing	Aug.	120	120	119	117
Construction	Aug.	128	130	126	124
Farm Employment	Aug.	83	88	81	109
Insured Unemployment, (Percent of Cov. Emp.)	Aug.	2.6	2.2	2.1	3.2
Avg. Weekly Hrs. in Mfg., (Hrs.)	Aug.	40.9	40.3r	40.3	40.2
FINANCE AND BANKING					
Member Bank Loans	Aug.	183	182	180	158
Member Bank Deposits	Aug.	148	149	153	133
Bank Debits**	Aug.	163	158	159	155

LOUISIANA

INCOME AND SPENDING					
Personal Income, (Mil. \$, Annual Rate)	July	6,464	6,365r	6,363r	6,129
Manufacturing Payrolls	Aug.	129	127	126	120
Farm Cash Receipts	July	113	110	122	118
Department Store Sales**	Aug.	125	118	118	113
PRODUCTION AND EMPLOYMENT					
Nonfarm Employment	Aug.	104	104	104	102
Manufacturing	Aug.	100	100	100	98
Nonmanufacturing	Aug.	105	105	104	103
Construction	Aug.	90	89	89	82
Farm Employment	Aug.	89	88	87	93
Insured Unemployment, (Percent of Cov. Emp.)	Aug.	3.3	3.4	3.3	4.0
Avg. Weekly Hrs. in Mfg., (Hrs.)	Aug.	41.7	41.4r	41.3	42.0
FINANCE AND BANKING					
Member Bank Loans*	Aug.	162	164	165	141
Member Bank Deposits*	Aug.	129	127	126	120
Bank Debits**	Aug.	141	133	142	127

MISSISSIPPI

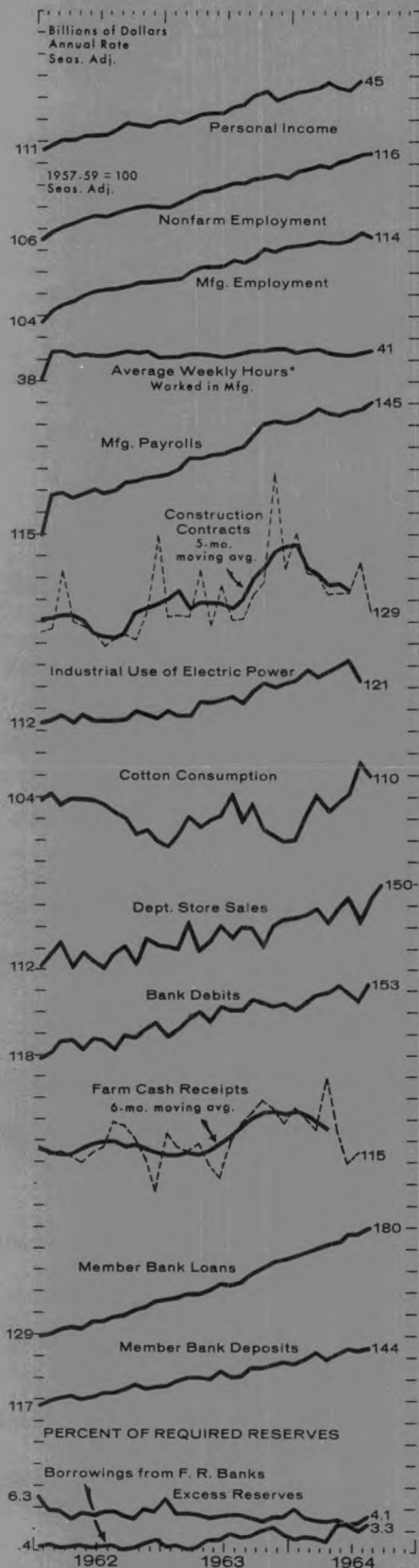
INCOME AND SPENDING					
Personal Income, (Mil. \$, Annual Rate)	July	3,365	3,311r	3,358r	3,124
Manufacturing Payrolls	Aug.	157	156r	153	145
Farm Cash Receipts	July	121	131	139	124
Department Store Sales**	Aug.	108	93	109	103
PRODUCTION AND EMPLOYMENT					
Nonfarm Employment	Aug.	119	118	118	117
Manufacturing	Aug.	123	122	121	118
Nonmanufacturing	Aug.	117	117	117	116
Construction	Aug.	120	117	118	120
Farm Employment	Aug.	67	80	89	67
Insured Unemployment, (Percent of Cov. Emp.)	Aug.	3.4	3.4	3.4	4.3
Avg. Weekly Hrs. in Mfg., (Hrs.)	Aug.	40.2	40.8r	40.4	40.7
FINANCE AND BANKING					
Member Bank Loans*	Aug.	198	190	195	175
Member Bank Deposits*	Aug.	156	157	159	142
Bank Debits**	Aug.	166	147	153	151

TENNESSEE

INCOME AND SPENDING					
Personal Income, (Mil. \$, Annual Rate)	July	7,193	7,069r	7,008r	6,664
Manufacturing Payrolls	Aug.	144	144r	144	136
Farm Cash Receipts	July	113	112	103	117
Department Store Sales**	Aug.	122	110	124	115
PRODUCTION AND EMPLOYMENT					
Nonfarm Employment	Aug.	117	117r	116	113
Manufacturing	Aug.	118	119	119	116
Nonmanufacturing	Aug.	116	116r	115	112
Construction	Aug.	139	140	142	131
Farm Employment	Aug.	83	86	93	89
Insured Unemployment, (Percent of Cov. Emp.)	Aug.	3.3	3.4	3.3	4.1
Avg. Weekly Hrs. in Mfg., (Hrs.)	Aug.	40.8	40.8	40.3	40.9
FINANCE AND BANKING					
Member Bank Loans*	Aug.	185	174	176	157
Member Bank Deposits*	Aug.	148	142	145	132
Bank Debits**	Aug.	152	145r	145	140

*For Sixth District area only. Other totals for entire six states. **Daily average basis. r Revised. p Preliminary.
Sources: Personal income estimated by this Bank; nonfarm, mfg. and nonmfg. emp., mfg. payrolls and hours, and unemp., U. S. Dept. of Labor and cooperating state agencies; cotton consumption, U. S. Bureau of Census; construction contracts, F. W. Dodge Corp.; petrol. prod., U. S. Bureau of Mines; industrial use of elec. power, Fed. Power Comm.; farm cash receipts and farm emp., U.S.D.A. Other indexes based on data collected by this Bank. All indexes calculated by this Bank.

DISTRICT BUSINESS CONDITIONS



Firms and individuals have good reason for continued optimism about business, judging by the gains registered in most lines of economic activity. Consumer spending, supported by increased employment and rising incomes, apparently set a new record in August; at the same time, the rate of new saving slowed somewhat. Rainfall, although damaging some crops in Florida and Georgia, aided fall plantings and revived dried-out pastures throughout the region. Contracts for future construction failed to match the volume of previous months but continued to sustain growth in many related industries. Bank loans and deposits rebounded from the July lull as business firms stepped up their borrowing from the region's banks.

Nonfarm employment edged up further during August despite a decline in the number of factory workers. Increases in nonmanufacturing industries in all District states except Georgia provided the momentum needed to carry the nonfarm job total to a new high. The drop in manufacturing employment was concentrated in Georgia, where the early model changeover in auto assembly plants more than offset job increases in other industries. Linked to this was a rise in Georgia's rate of insured unemployment, which, combined with slight declines in most other states, left the District's rate unchanged from the previous month. A lengthening of the average workweek more than counterbalanced the drop in factory employment, however, and manufacturing payrolls expanded further.

Consumers apparently diverted some of their increased incomes from saving to retail spending. Department store sales advanced sharply in August, and preliminary figures indicate that the upturn was carried into September. Bank debits, after slumping in July, also reached a new high in August. The rise in spending was not supported to any great extent by credit; new loans declined and repayments increased. Savings accumulations mounted further but not so rapidly as earlier in the year. Personal income rose appreciably in July, the latest month for which figures are available, with Florida accounting for more than half the District states' increase.

Farmers currently are experiencing smaller yields and lower prices for their major crops. Hurricanes Cleo and Dora damaged crops and reduced yields in Florida and Georgia. Marketings of livestock and poultry products, however, have been maintained. Prices for beef, hogs, and broilers held relatively steady in recent weeks, while those for eggs slipped. Most prices paid by farmers fluctuated within a narrow range, and farm real estate values moved higher, according to the latest data for the March-July period.

The District shared in the nationwide slowdown of new construction contracts awarded during August. Total awards for the first eight months of the year, however, are running at an unusually high level, some seventeen percent above a year ago. Gains are widely distributed over the District and are favorably balanced between residential and nonresidential construction. Nonbuilding construction awards, bolstered by missile and space facilities and utility project awards, are running especially strong in the eastern section of the District. Mortgage money remains in good supply, and rates and terms continue favorable both for new construction and transfers of older property.

Deposits and loans at member banks moved to new records in August. Total investments, which have been lagging for several months, also rebounded sharply as banks increased their holdings of U. S. Government securities. Based on reports from banks in leading cities, these trends continued into September: Demand deposits increased at a greater rate than time deposits, thus reversing the situation that has prevailed throughout most of this year.

NOTE: Data on which statements are based have been adjusted whenever possible to eliminate seasonal influences.