



Monthly Review

F E D E R A L R E S E R V E B A N K O F S T . L O U I S

DECEMBER 1, 1946

Survey of Current Conditions

Maladjustments between industrial wages, costs and prices once again are being brought into the center of the economic scene. As a result, prospects for maintenance of full-scale production during the immediate future are now less assured than in recent months. The production outlook depends in large measure on the length of time needed to resolve, at least in workable measure, these difficulties.

The national economy can ill afford major interruptions of the productive processes at present. The need for maximum operations as a primary means of preventing scarcity-enforced upward pressures on prices is almost as great now as earlier this year. While in most cases the current price level has been adjusted to the higher costs incurred during recent months, it should be noted that many advances allowed prior to decontrol, as well as increases in prices of most basic commodities since the elimination of controls, are yet to be reflected in costs to consumers. Price increases announced in November by producers of raw materials such as lead, zinc, tin, copper, and steel scrap will have a multiplying effect on the price structure and since a time lag occurs during which the effect of such increases permeates through the economic structure, the full impact of even these increases will not be felt by consumers of finished goods for some time. To a major extent, a steady flow of goods in large volume would exert a primary restraining influence on the upward movement of prices. Thus it is still imperative that production not be interrupted.

In this connection it should not be forgotten

that labor disputes are not the only factor of retardation in production. Difficulties in obtaining new plant and equipment, uneven materials flow and lack of balanced inventories also slow up the production process. In addition, the substantial rise in civilian employment and the transfer of workers from one job to another have made for uneven levels of skill in the labor force with a consequent over-all reduction in efficiency of operation.

These conditions, however, should be overcome gradually and the physical side of the production process smoothed by so doing. Meanwhile, the less other factors interfere with industrial output the faster such output should rise.

EMPLOYMENT

Nonagricultural employment in the Eighth District continued to increase during October, largely in response to seasonal requirements of trade and service establishments. Preliminary reports also indicate some further expansion in total manufacturing employment during the month. The removal of price controls in the meat packing industry and the subsequent sharp increase in livestock marketings resulted in significant gains in employment in this industry late in October. Scattered and less pronounced increases also occurred in other food processing and in manufacturing generally.

The number of unemployed workers in the district declined somewhat in October, with substantial reductions in servicemen's readjustment claims reported in most of the major district cities. The

(Continued on Page 7)

Agricultural Changes in the Mid-South

The substantial rise in the output of American farms during the war years was a major factor in the final victory of allied arms. Gross farm production in the United States in 1944 was about one-fourth larger than the average for five prewar years, 1935-39. In the four years in which this nation was actively engaged in war, gross farm production averaged some 22 per cent higher than in the 1935-39 period. If output is measured in terms of production for human use, the gain is even more striking, with 1944 being 29 per cent, and the four war years averaging 27 per cent, above production in the prewar period.

The very high level of farm production in the war years is particularly noteworthy in that it was as much above average output in the entire inter-war period as it was over the immediate prewar average. Aside from the two very severe drouth years of 1934 and 1936, gross farm production did not depart much from the average in the two decades between 1920 and 1940. For example, in the rather stable years from 1925 through 1929 gross farm production varied only 3 per cent from the long-term average.

The wartime increase in farm output has focused attention on the substantial changes that have occurred in American agriculture—significant shifts in land use, in farming practices and in production which have altered considerably the pattern of farming in this nation. Many of these changes have been viewed as primarily the products of war-created forces. Actually, however, most of them were begun and had been carried on for some time before the advent of World War II.

A recent publication of the U. S. Department of Agriculture pointed out this fact very clearly and emphasized the far-reaching implications of those changes.¹ It also noted that additional changes which probably will come in the next two or three decades may be as significant as those which have occurred in the past 25 years, stating "... Some of these are already on the horizon—the mechanical cotton picker is an example. Others cannot be foreseen. But constant change must be expected; and agriculture must adapt itself to changes that are inevitable and, for the most part, desirable."

The shifts which have occurred in agriculture on a national scale have been reproduced to a major degree within the Eighth Federal Reserve District. Future changes of even greater magnitude are in

prospect for this district, especially in its southern areas—Arkansas, Mississippi and Tennessee—which constitute the heart of the great mid-South cotton-producing area.

Previous articles in this Review have emphasized this bank's interest in the development of the South in general and of the southern portions of this district in particular. The changes that have taken place or that are expected to take place in agriculture in these regions are a part of the over-all regional development pattern shaping up in the South. They are noteworthy for two primary reasons. First, they tend to raise average worker productivity on the farm, and second, by so doing they release surplus farm labor which can be utilized in nonfarm pursuits.

MAJOR FACTORS IN INCREASED FARM PRODUCTION

The striking gains in output of American farms, referred to at the beginning of this article, were a product of forces operating throughout the inter-war period to build up the capacity of the agricultural plant of this nation. The effects of these forces were obscured by the pronounced drouths of the early and mid-1930's and by the depression that gripped the country for most of the decade following 1929. The potential productive capacity, however, was being built up steadily throughout the two decades following World War I, and this capacity was fully utilized to bring forth the tremendous output of the recent war years.

The major factors in the increased capacity of American agriculture were progress in mechanization, changes in land use, conservation and rotation practices, increased use of lime and fertilizer, improved varieties of crops, a better balanced livestock and livestock feeding program, and more effective control of insects and disease. Favorable weather also was a factor in the wartime production gains, accounting for perhaps one-quarter of the total increase, but, even after making allowance for this, the increased output of the war years over the prewar period was most striking.

Probably the most important factor in increasing output of farm products for human use was mechanization. In 1920, there were less than 250,000 tractors on farms and in 1945 there were more than two million. This rise in mechanical power use (plus use of the new equipment accompanying it) meant more production. It also meant that a much larger share of total production could go to market, because the shift to mechanical power made avail-

¹ Johnson, Sherman E., *Changes in Farming in War and Peace*, U. S. Dept. of Agriculture, June, 1946.

able about 55 million crop acres formerly used to produce feed for horses and mules.

In the twenty years between wars there were many changes in the use of cropland and permanent pasture. Total cropland acreage showed very little change in the period. The trend was down slightly in the early 1920's, up slightly from 1925 to 1932, and down again for the next decade. In 1944, total cropland used for crops was about 2 per cent less than in the peak period, 1928-32, but 3 per cent more than in the immediate five prewar years, 1935-39. All cropland, including summer fallow and idle, in 1944 was almost exactly equal to that in both base periods noted above.

There were, however, changes in use of cropland. Acreage used for intertilled crops in 1944 was less than in the 1928-32 period, that used for close-growing crops remained about the same, while that for sod crops increased. Changes among the different types of crops grown were even more marked than changes in major categories of land use.

The growth of general conservation practices, including use of winter cover crops, was notable in the period from 1920 to 1940. More than half the farms in the United States are now included within the boundaries of Soil Conservation Districts. While far from all farms in these regions have employed regular conservation practices, some 200,000 farms embracing about 55 million acres were under definite, long-term conservation programs in 1943.

Increased use of lime and fertilizer was an important factor contributing to the gain in farm productive capacity in the interwar and war years. In terms of plant nutrients, the total consumption of commercial fertilizer in 1944 was 85 per cent more than in the prewar period. Lime application in 1944 was three times as heavy as in the years before World War II.

Improved crop varieties, such as hybrid corn, new oats types and more nutritious legume hays, also were responsible in part for the increased output of farms.

The building up of both livestock numbers and feed supplies in the years just before World War II made possible the heavy wartime marketings of livestock and livestock products. Output also was increased by better balanced feeding programs.

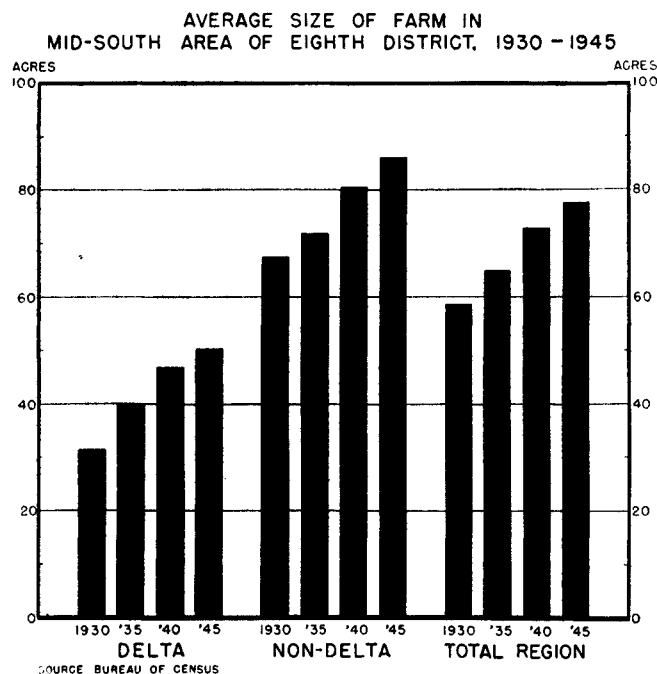
Finally, the effectiveness of modern disease and pest control methods and better handling of cases which did occur in plant and animal disease resulted in no major outbreaks of such production-retarding factors in the war years. This relief from general epidemic conditions was largely a product of intensive inter-war period research and practice.

AGRICULTURAL CHANGES IN THE SOUTHERN PART OF THE EIGHTH DISTRICT

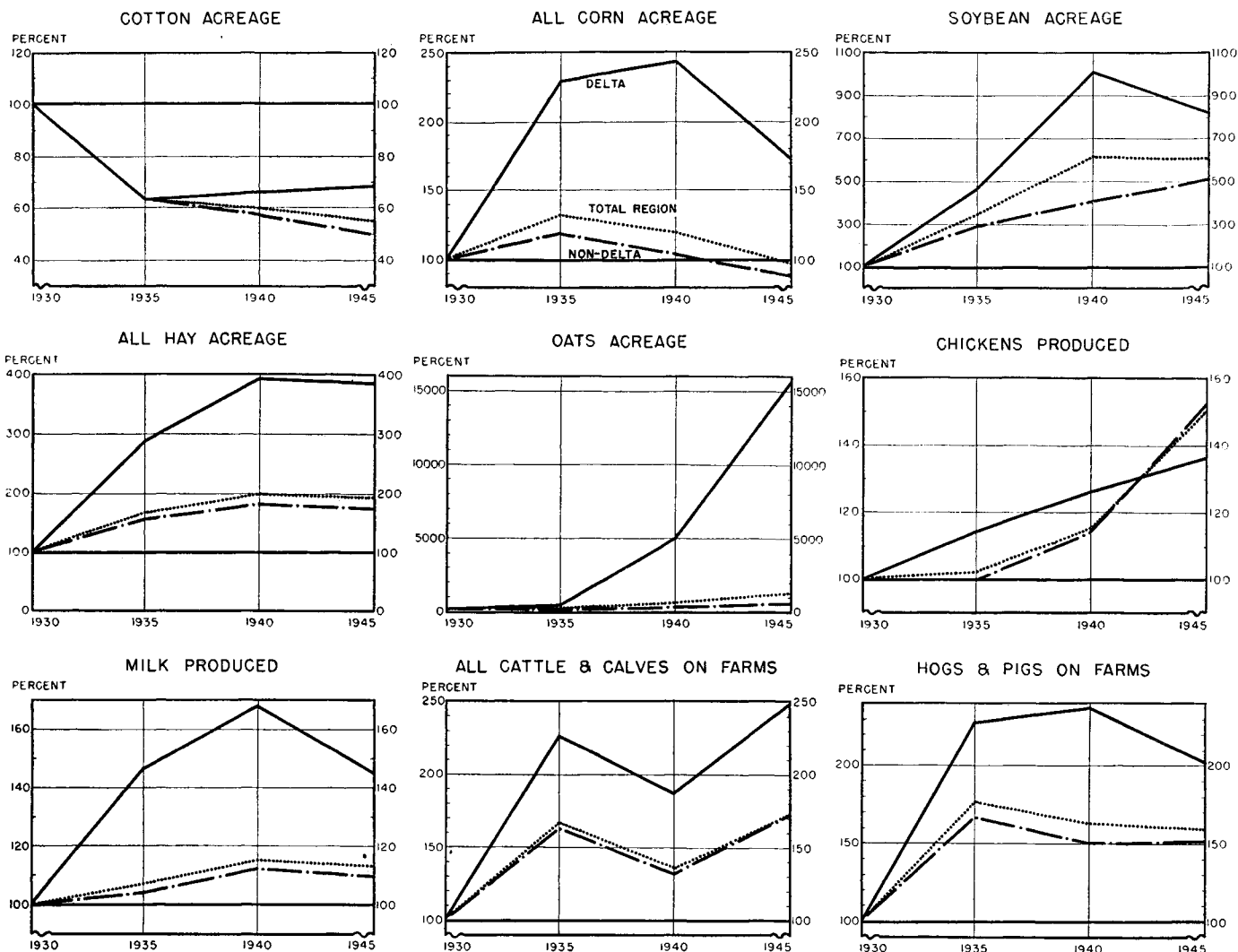
The same factors which operated on a national scale also were important within the Eighth District, and like those in the nation the district forces came into being in the years preceding World War II. In few areas have the changes been more striking than those which have taken place in land use and production in the southern portions of this district.

The entire state of Arkansas, the 30 northern counties of Mississippi and the 21 counties west of the Tennessee River in Tennessee constitute the mid-South area contained in this district. In this section, cotton has long been a major source of farm income. Because of what appeared to be a fundamental weakness in a one-crop agricultural economy considerable effort has been directed toward planning programs for more diversified types of farming which generally result in higher and more stable income for the farm operator.

In the past fifteen years there has been a marked shift in the pattern of land use and production in this region and the program, although there is room for considerable future development, is much farther along than the casual observer has recognized. Recently tabulated data from the agricultural censuses from 1930 through 1945 indicate the changes that have taken place. The data have been tabulated for the area as a whole and for the delta or Mississippi River bottom counties and the balance of the region or hill section separately. In-



**MAJOR FARM PRODUCTION CHANGES
IN MID-SOUTH AREA OF EIGHTH DISTRICT, 1930-1945**
INDEXES 1930 = 100



SOURCE: Bureau of Census

cluded in the delta section are 17 counties.²

Acreage and Number of Farms—In 1930, the region as a whole contained 30.4 million acres of farmland, 26.5 million in the hill section and 3.9 million in the delta. Farmland acreage in the delta rose to 4.5 million by 1935 and to almost 5 million in 1940, holding that figure through the war years. In the balance of the region, acreage rose to 29.4 million in 1935 but subsequently declined to 27.6 million by 1945. By the latter year, then, the area as a whole contained 2 million more acres of farm land than in 1930, the gain being about equally distributed between the delta and non-delta regions.

The number of farms in the region shrunk considerably between 1930 and 1945, although the general downward trend in number of farms was interrupted in the mid-1930's by the widespread

back-to-the-land movement which came as a result of the depression. In 1930, the entire area contained 520,000 farms, 125,000 in the delta and 395,000 in the non-delta section. In 1945, there were 100,000 fewer farms in the three-state region, 26,000 fewer in the delta and 74,000 fewer in the hill areas.

As a result of more acreage and fewer farms, the average size of farm increased sharply in the past fifteen years, from 58.5 acres in 1930 to 77.5 acres in 1945 for the area as a whole. In the delta the gain was from 31.3 acres to 50.1 acres, and in the non-delta region from 67.2 acres to 85.9 acres.

It should be pointed out that the average size of farm in the South has tended to run considerably smaller than in most other sections of the country. To a major degree this has been a product of the plantation system in the South where plenty of farm labor and the type of crops raised led to smaller farming units and a heavier concentration of farm population per acre of farmland. In 1940, for

² In Arkansas, Chicot, Crittenden, Desha, Lee, Mississippi, Phillips, and Poinsett counties; in Mississippi, Bolivar, Coahoma, Humphreys, Leflore, Quitman, Sunflower, Tallahatchie, Tunica, and Washington counties; and in Tennessee, Lake county.

example, the average number of improved acres per farm in the thirteen cotton-growing states of the South was 57.4 and supported by 5.45 persons, in contrast to a national average of 88.5 improved acres and an occupancy of 5.01 persons per farm.

Livestock—Since 1930, there has been a pronounced shift in both delta and non-delta areas to larger numbers of livestock on farms. Percentage-wise the change has been more marked in the delta than in the hills, but since the delta makes up only one-sixth of the total area, the bulk of the livestock expansion has come in the hill regions.

For the area as a whole in 1945 there were 77 per cent more cattle on farms than in 1930, numbers increasing from 1.3 million head to 2.3 million. The increase in the delta area was 148 per cent in contrast to 72 per cent in the balance of the region. In absolute numbers, however, the gain in the hills was 880,000 head and in the delta 120,000 head.

The fact that the non-delta region remains a much more important livestock area than the delta is indicated effectively by comparing the number of cattle per farm in both regions and the gain in this ratio over the past fifteen years. In 1930, there were 0.65 head of cattle on each delta farm on the average and 3.08 head on each non-delta farm. In 1945, the figures were 2.04 head and 6.52 head. It should be noted, however, that the delta has become a more important livestock region in the past few years, increasing its share of the area's livestock from 6 per cent to 9 per cent from 1930 to 1945.

The increase in cattle numbers has been much more pronounced among the beef breeds than among dairy cattle. The number of cows and heifers milked in the three-state region rose but 15 per cent from 1930 to 1945 with a 44 per cent gain in the delta and a 13 per cent increase in the non-delta section. Roughly the same pattern of increase holds for actual milk production.

In other classes of livestock similar trends are evident. For the area as a whole hog numbers in 1945 were 59 per cent larger than in 1930 with the gain in the delta 102 per cent in contrast to 51 per cent for the balance of the region. Sheep production is relatively unimportant in the southern portions of the district; in 1945 the entire three-state area had only 116,000 head, slightly less than in 1930. The delta area, however, did increase its small number of sheep whereas the non-delta area showed some decline in sheep numbers.

The number of chickens on hand in the region in 1945 totaled 13.2 million in contrast to 11.0 million in 1930. In the delta the increase was larger than outside the delta and as a result the delta's

share of the region's total rose from 13 per cent in 1930 to 16 per cent in 1945. Egg production trends were very similar to those in number of chickens. Actual chicken output, however, showed a much larger increase from 1930 to 1945—50 per cent—and in this field the gain both percentage-wise and absolute was far more marked in the non-delta than in the delta section.

Crops—The diversification in crop output has been, in a number of cases, even more marked than the trend toward livestock farming in the district's mid-South area. To a certain extent, of course, changes in livestock production and in cropping pattern go hand in hand. This has been particularly true of the hill sections where a shift from acreage devoted to cotton has been mostly into crops that supply feed and pasture for livestock.

The five major crops, in terms of acreage, grown in the mid-South section of this district are cotton, corn, soybeans, oats and hay. For the entire area, 1945 acreage of cotton and corn was smaller than that of 1930, while acreage devoted to the other three crops was sharply higher.

In the case of cotton the decline in acreage was very marked, from 7.1 million acres to 3.9 million acres. Both in percent and in actual numbers, the decline in cotton acreage was most pronounced in the hill section. In 1945, cotton acreage in the non-delta region was 51 per cent less than in 1930 while in the delta it was off 32 per cent. Corn acreage in 1945 was only 3 per cent less than in 1930 for the area as a whole, dropping from 3.8 million acres to 3.7 million acres. In the non-delta area, however, the decline in corn acreage was 12 per cent or 400,000 acres. The delta increased its acreage by 300,000 or 72 per cent.

Between 1930 and 1945, for the region as a whole, oats acreage rose from 39,000 acres to 503,000 acres, soybeans from 84,000 acres to 508,000 acres, and hay of all types from 1.2 million acres to 2.3 million acres. The percentage increases in acreage for these crops were tremendous for the non-delta area, but even so they fell far below those for the delta. Thus, delta oats acreage rose from 2,000 acres in 1930 to 314,000 acres in 1945 and in the latter year the delta accounted for two-thirds of the entire region's acreage in oats in contrast to 6 per cent in 1930. The delta's soybean acreage of 1930 was 35 per cent of the entire region's; in 1945 it was 47 per cent. Its share of hay acreage rose from 9 per cent to 18 per cent.

Wheat, barley and rye production are not particularly important in the three-state region, but acreage devoted to these crops has increased sharply

over the past fifteen years, another indication of the trend toward diversification.

In connection with the changes that have taken place in cropping in the southern portions of the district, the differences between the changes in the delta and non-delta sections might be sharpened by looking at them as a whole. In the non-delta area, for instance, there has been a tremendous movement away from cotton as a cash crop. The acreage taken out of cotton has gone largely into hay, soybeans, and oats. Soybeans constitute an added cash crop, whereas the hay and oats production apparently has been geared to the developing livestock system. In the delta area, on the other hand, the cropping change has been largely a shift from a single cash crop system to a more diversified type of cash crop farming. The reduced cotton acreage has gone primarily into corn, oats, soybeans, and hay—all of which are cash crops in the delta area.

Of significant interest is the fact that in the delta area the entire reduction in cotton production came about during the period from 1930 to 1935 and acreage has been held at about the same level since 1935. The acres shifted from cotton in the delta area went first into corn acreage which continued to increase to 1940. Since 1940, however, there has been a significant decline in corn acreage with most of the land released going into production of oats, soybeans, and hay.

The trend would indicate that in the delta area the shift away from cotton was generated almost wholly by the AAA program of the early 1930's. It is interesting to note, however, that in 1945, with the AAA curtailment program largely inoperative, diversified cash crop production was continued in the delta. Immediate conditions of weather, labor shortage and higher prices for commodities competing with cotton for acreage undoubtedly influenced the mass decision not to revert to the old one-crop system but the actual decision is noteworthy. In the non-delta area while the AAA no doubt was the greatest single stimulus to the reduction of cotton acreage and the bulk of the reduction came between 1930 and 1935, there has continued since 1935 a significant and orderly decline in the acreage of land being put into cotton, with a correspondingly constant increase of acreage going to oats and soybeans and in a lesser degree to winter wheat and barley.

IMPLICATIONS FOR THE FUTURE

The changes noted above—the trends toward larger farm units, crop diversification, and live-

stock production—in the mid-South area of this district have helped to reduce the economic lag in the region. That lag, however, is still considerable and should be narrowed further. There are definite indications that it will be lessened—both because certain changes seem inevitable and because the people of the region are striving deliberately to speed up the natural process.

Most observers have recognized that the economic problems of the South in general stem largely from the lack of economic balance in the area. There are relatively too many people in agriculture and too few in nonfarm activity. The general overcrowding of the farms has led to low farm labor productivity and low income which in turn have created educational and health deficiencies. Capital has been scarce and land has deteriorated because of this and because of lack of knowledge about land care.

The movement of population away from the farms has reduced the overcrowding and increased the average size of farm. In the nation as a whole the farm population declined from about 30 million persons to 25 million persons between 1940 and 1945. Since 1945, the farm population has grown about 2 million; thus the net loss from 1940 to the present has been about 3 million or 10 per cent. Figures for the southern portion of this district indicate a similar population trend there. From April, 1940, to November, 1943, net civilian migration from the Arkansas-Mississippi-Tennessee portions of the Eighth District amounted to about 375,000 persons, with the loss concentrated almost entirely in rural farm population. In the previous decade net civilian migration from this area totaled about 270,000.

Despite this high rate of migration, the mid-South's farms are still overcrowded and the rate of reproduction of the farm population points to further overcrowding unless migration increases sharply. Also the movement toward mechanization will accentuate the farm population surplus. It should be noted here that increased migration from the farms depends in large measure on non-farm employment opportunities.

The factor of increasing use of mechanized farm equipment, so important in increasing farm productive capacity on a national scale, did not operate in marked degree in the South prior to World War II. According to the 1940 Census, less than 3 per cent of the farms in Mississippi and but slightly more than 4 per cent of those in Arkansas and

Tennessee reported tractors in that year in contrast to 23 per cent of all farms in the nation.

There were various reasons for the lag in use of mechanical power in the South. Lack of capital made it difficult for a farm owner to buy such equipment. Abundant and cheap labor removed some incentive for acquiring it. The technology of the equipment that could be used on southern crops was not very far advanced and created little use for the equipment that was available.

In the war years, however, it is estimated that the number of tractors on farms in the South about doubled and prospects are for a much faster rate of growth in that area than in other sections in the future. New equipment, designed for southern crops, is coming into being. Labor is no longer quite as abundant or as cheap and there is need to lower production costs.

A definite trend toward more mechanized farm production has developed in the mid-South area of this district and it promises to exert tremendous pressure toward intensifying the production shifts already under way in that region. As an example, it appears that as complete mechanization of cotton farming develops, there may be expansion of production in the delta area where higher yields can be maintained rather easily. Mechanization likewise will play an important role in the hill sections where cotton may decline further in importance and in some sections may even disappear from the farming program. Mechanized equipment will make it possible for the farmer in these areas to produce with

his own labor larger acreages of grain, hay and pasture crops to support an increasing livestock population.

Further developments in soil conservation and general improvement in farming practices also will be of prime importance to the mid-South farmer in coming years and likewise should intensify the shifts in the farm production pattern. As farm operators gain more "know-how" about soil management, they should be able to reclaim thousands of abandoned hill land acres and put them to use for pasture, hay and small grains to support an expanding livestock program. Similarly, these practices should aid in increasing yields in both delta and non-delta acreages now in production.

Mechanization and conservation require capital. The mid-South area, relatively poor before the war, now has capital at hand to finance these improvements. And as the improvements come to increase the general level of farm income and bring agriculture into better balance in the area, the store of capital should build up.

The changes that have taken place in mid-South agriculture have been profound, but the changes in prospect for the future seem to offer even greater possibilities. The movement seems inevitable but aggressive local leadership can bring the changes about more rapidly and raise the general level of income in the area faster. The people of the region seem to be aware of this and are acting to speed up the program.

Frederick L. Deming
Darryl R. Francis

CURRENT CONDITIONS

(Continued from Page 1)

decrease in the number of veterans' claims in part reflects the exhaustion of benefit payments by an increasing number of former servicemen, but is attributable primarily to more widespread employment and to the fact that many veterans withdrew from the labor force and entered school in October. However, despite recent gains in veteran employment, ex-servicemen continue to constitute a large part of the district unemployed. In September, about 50 per cent of the persons seeking work in the major district cities were former servicemen.

INDUSTRY

The general level of industrial activity in the Eighth District in October was relatively unchanged from the preceding month. While total output in some industries, such as bituminous coal, failed to reflect the longer work-month in October and declined seasonally on a daily average basis, operations

in other industries, particularly in meat packing and less markedly in the basic steel industry, were at a higher level than in September.

Total industrial power consumption in major district cities was 3 per cent larger than in September and 6 per cent greater than in October, 1945. The usual decline in daily average consumption in these cities occurred in October and averaged 8 per cent, with reductions reported in all cities except Pine Bluff. However, daily average consumption was considerably larger than in any month this year except September.

Manufacturing — Over-all manufacturing output showed little change from September when production in district industries was at a postwar peak. In the St. Louis area, operations in the basic steel industry were estimated at 57 per cent of capacity as compared with 56 per cent in September and 52 per cent in October, 1945.

Production of lumber in the district increased

slightly during October, according to preliminary estimates, and was substantially larger than in October, 1945. The southern hardwood industry operated at about 95 per cent of capacity as compared with 91 per cent in September and 82 per cent in October, 1945. Daily average output in the southern pine industry was relatively unchanged during the month but was 7 per cent larger than in October, 1945.

Lumber production in district states in the first eight months of 1946 showed a considerably greater increase over the same period of 1945 than was indicated for the nation as a whole. District states' output through August was 29 per cent larger than in the first eight months of last year as compared with a 10 per cent gain in total United States production. The largest increase among district states came in Illinois where output totaled 44 per cent above 1945. In the three major lumber-producing states, Arkansas, Mississippi and Tennessee, increases amounted to 35 per cent, 18 per cent and 40 per cent, respectively. Total production in the seven states through August was 3.6 billion board feet, or 16.2 per cent of U. S. production, as compared with 2.8 billion board feet in the same period of 1945, or 13.8 per cent of the national output.

At the end of October, 37 whiskey distilleries were in operation in Kentucky as compared with 31 at the end of September and 34 at the end of October, 1945. Further increases in whiskey production are anticipated as a result of larger amounts of grain available to the industry. In some areas considerable customer resistance to sharply advanced prices has developed, particularly with respect to available supplies of aged whiskey.

Removal of price controls from the meat packing industry and the beginning of the usual fall movement of hogs resulted in greatly increased receipts of livestock and a substantial gain in meat packing operations in October. The number of animals slaughtered under Federal inspection at St. Louis was more than five times that in September when receipts reached a record low level. The total slaughter in October amounted to 389,000 as compared with 72,000 in September and 413,000 in October, 1945, and except for January and July was the largest this year. Greatest increases were registered in the slaughter of hogs, which totaled 205,000 as compared with 11,000 in September, and cattle which amounted to 56,000 in October and 8,000 in September.

The shoe manufacturing industry continued to operate at a relatively high level in October although production was retarded by inability of most

companies to obtain an ample supply of raw materials. Removal of price controls on hides, leather and shoes at the end of the month, followed by the revocation of controls over cattle hide and skin allocations early in November, is expected to result in a substantial increase in shoe output. Prices of hides, skins and leather advanced sharply after elimination of price ceilings, and leading manufacturers raised shoe prices from 10 to 25 per cent. The industry anticipates that expanded shoe production during the next few months, to be made possible by increased supplies of leather, will be sufficient to restrain further upward movement in retail prices of shoes.

District production of shoes in August, the latest month for which detailed figures are available, totaled 7.1 million pairs, or about 9 per cent more than in July when output amounted to 6.6 million pairs, and was 1 per cent greater than in August, 1945.

Mining and Oil—Total production of coal in the Eighth District in October was 10 per cent larger than in September and amounted to 17.5 million tons as compared with 15.9 million tons in September. In October, 1945, when output was affected by strikes, district mines produced 13.5 million tons. Daily average output declined less than seasonally in October and was 2 per cent below the daily average production in September. The decline in daily output was due almost entirely to a 6 per cent decrease in production at Kentucky fields; daily output in Indiana was 4 per cent higher than in September while in Illinois it was virtually unchanged. In the nation as a whole, daily production in October averaged 2 per cent less than in September.

There was little change in daily average output of crude oil in the district during October and production continued well ahead of a year ago. Output in October averaged 334,000 barrels per day, or fractionally less than the 335,000 barrel average production in September, and compares with daily output of 291,000 barrels in October, 1945 when labor disputes were current. Slight decreases in production of crude oil occurred in Arkansas, Indiana and Kentucky during October but were largely offset by an increase in Illinois.

A total of 357 new oil well completions were reported in district fields in October as compared with 304 in September. Fifty-four per cent of the completions were producing wells, of which 70 per cent were in Illinois. A larger proportion of the completions in Indiana resulted in productive wells than in the other district states, with 64 per cent

of the completions being successful as compared with 56 per cent in Arkansas, 53 per cent in Illinois and 50 per cent in Kentucky.

Lead production at district mines in September was almost 10 per cent higher than in August, on a daily average basis, but was 15 per cent below the production level of a year earlier. Improvement in mining operations is anticipated by the industry in response to recent price increases announced early in November. Following removal of price controls, leading producers raised quotations on domestic lead to a level approximately equal to prices paid for foreign lead. Both primary lead production and marketings of scrap are expected to be stimulated by the higher price level.

Construction — The value of building permits awarded in the major district cities in October was 14 per cent less than awards in the previous month and 20 per cent below October, 1945. The total value of permits was \$4.8 million in October as compared with \$5.5 million in September and \$5.9 million in October, 1945. Although the total value of permits declined in each city in October, an increase in the value of new residential awards was reported in Memphis and in Little Rock.

The total value of construction contracts awarded in the Eighth District in October was considerably larger than in September, increasing from \$21.8 million to \$36.4 million in October. Most of the increase was in nonresidential construction which rose from \$12.1 million to \$23.2 million and accounted for about 75 per cent of the increase in total value of contracts awarded. Residential construction awards amounted to \$13.2 million in October and \$9.7 million in the preceding month.

TRADE

The increase in sales volume over a month earlier in Eighth District reporting retail stores, though substantial, slackened somewhat during October. There were some decreases in dollar sales of certain nondurables, due in part to intensified consumer resistance to rising prices and in part to shifts of purchasing power to the increasing supply of durable goods. There is some evidence also that the wartime seasonal pattern of high October sales is being altered. The mid-October mailing deadline last year for packages to overseas service personnel was a month earlier than that of this year. Also, fewer persons are in service in foreign areas now.

There were marked differences in sales volume changes registered by different types of retail outlets in October as compared to a year earlier. Furniture stores reported the largest gain during October as compared to October, 1945, while actual

decreases were registered at women's apparel and men's wear stores. There was also great variation in the year-to-year sales change among different divisions of the reporting district department stores. Home furnishings led with a gain of 62 per cent over the same period last year. Large gains were recorded in certain miscellaneous items such as silverware, cameras and sporting goods. On the other hand, sales of some nondurables (mainly "soft lines") declined. The increasing flow of durable goods to retailers' shelves indicates the pattern of consumer expenditures may be moving back toward the prewar relation between durable and nondurable goods, thus tending to eliminate the distortion which prevailed during the war years.

District department store sales volume during October was 12 per cent above September and 23 per cent greater than in October, 1945. Preliminary reports indicate the gain of 30 per cent for the year to date over the similar period last year may not be maintained during November. The recent sharp rise in general prices has brought about some consumer resistance and selective buying is curtailing in some measure demand for higher-priced goods. Some mark-downs have been reported made in the "luxury soft lines."

Inventories in the durable goods divisions are still spotty. For example, stocks of radios, while more than four times larger than for the comparable month last year, include very few of the higher-priced cabinet models. Stocks of major household appliances, even though six times greater than last year, are still far short of satisfying heavy

INDUSTRY

| CONSUMPTION OF ELECTRICITY | | | | | | | |
|---|------------------------|----------------------|---|---|--|-------------|--|
| (K.W.H. in thous.) | No. of Cus- tomers* | Oct., 1946 K.W.H. | Sept., 1946 K.W.H. | Oct., 1945 K.W.H. | Oct., 1946 compared with Sept., '46 Oct., '45 | | |
| Evansville | 40 | 7,752 | 7,369 | 4,925 | + 5% | +57% | |
| Little Rock.. | 35 | 3,681 | 3,611 | 3,252 | + 2 | +13 | |
| Louisville | 79 | 34,476 | 34,154 | 28,247 | + 1 | +22 | |
| Memphis | 31 | 4,255 | 4,840 | 5,539 | -12 | -23 | |
| Pine Bluff | 19 | 1,569 | 1,171 | 1,573 | +34 | - 0 | |
| St. Louis | 96 | 65,116 | 62,299 | 66,398R | + 5 | - 2 | |
| Totals | 300 | 116,849 | 113,444 | 109,934R | + 3 | + 6 | |
| *Selected industrial customers. R—Revised. | | | | | | | |
| LOADS INTERCHANGED FOR 25 RAILROADS AT ST. LOUIS | | | | | | | |
| Oct., '46 | Sept., '46 | Oct., '45 | First nine days Nov., '46 Nov., '45 | | 10 mos. '46 | 10 mos. '45 | |
| 132,959 | 118,870 | 120,172 | 38,888 | 36,732 | 1,229,324 | 1,485,008 | |
| Source: Terminal Railroad Association of St. Louis. | | | | | | | |
| COAL PRODUCTION | | | | | | | |
| (In thousands of tons) | Oct., '46 | Sept., '46 | Oct., '45 | Oct., '46 comp. with Sept., '46 Oct., '45 | | | |
| Illinois | 6,394 | 5,709 | 6,497 | +12% | - 2% | | |
| Indiana | 2,583 | 2,202 | 1,593 | +17 | +62 | | |
| Kentucky | 6,973 | 6,546 | 4,100 | + 7 | +70 | | |
| Other District States.. | 1,591 | 1,440 | 1,341 | +10 | +19 | | |
| Totals | 17,541 | 15,897 | 13,531 | +10 | +30 | | |

RETAIL TRADE

DEPARTMENT STORES

| | Net Sales | | Stocks on Hand | | Stock Turnover | |
|-----------------------------------|--|---------------|--|------------------|--------------------------------|------------------|
| | Oct., 1946 Compared with Sept., 1946 | | 10 mos. 1946 to same period 1945 | | Jan. 1, to Oct. 31, 1946 | |
| | Sept., 1946 | Oct., 1945 | Oct. 31, 1945 | Oct. 31, 1945 | Oct. 31, 1946 | Oct. 31, 1945 |
| Ft. Smith, Ark..... | + 7% | -- 8% | +14% | +63% | 3.92 | 3.94 |
| Little Rock, Ark..... | + 6 | +15 | +23 | +58 | 4.60 | 4.56 |
| Quincy, Ill. | +12 | +25 | +28 | +57 | 4.40 | 4.22 |
| Evansville, Ind. | +26 | +34 | +29 | + 6 | 3.33 | 2.79 |
| Louisville, Ky. | +15 | +26 | +30 | +47 | 4.91 | 4.82 |
| St. Louis Area ¹ | +11 | +23 | +31 | +55 | 4.07 | 3.97 |
| St. Louis, Mo..... | +10 | +22 | +31 | +55 | 4.06 | 3.97 |
| E. St. Louis, Ill.... | +26 | +68 | +48 | | | |
| Springfield, Mo. | +19 | +36 | +41 | +46 | 4.59 | 3.65 |
| Memphis, Tenn. | +12 | +27 | +31 | +48 | 4.48 | 4.38 |
| *All other cities..... | +23 | +22 | +35 | +61 | 4.32 | 4.03 |
| 8th F. R. District..... | +12 | +23 | +30 | +52 | 4.28 | 4.15 |

¹Includes St. Louis, Mo., East St. Louis and Belleville, Ill.
Trading days: October, 1946—27; Sept., 1946—24; Oct., 1945—27.
Outstanding orders of reporting stores at the end of October, 1946, were 16 per cent greater than on the corresponding date a year ago.
Percentage of accounts and notes receivable outstanding, October 1, 1946, collected during October, by cities:

| | Instalment Accounts | | Excl. Instal. Accounts | |
|------------------|---------------------|------------------------|------------------------|------------------------|
| | Instalment Accounts | Excl. Instal. Accounts | Instalment Accounts | Excl. Instal. Accounts |
| Ft. Smith..... |% | 61% | Quincy | 39% |
| Little Rock..... | 34 | 65 | St. Louis | 43 |
| Louisville | 45 | 59 | Other cities .. | 31 |
| Memphis | 49 | 64 | 8th F.R. Dist. | 43 |

INDEXES OF DEPARTMENT STORE SALES AND STOCKS 8th Federal Reserve District

| | Oct. 1946 | Sept. 1946 | Aug. 1946 | Oct. 1945 |
|--|--------------|---------------|--------------|--------------|
| Sales (daily average), Unadjusted ² | 313 | 316 | 284 | 255 |
| Sales (daily average), Seasonally adjusted ² .. | 293 | 313 | 330 | 238 |
| Stocks, Unadjusted ³ | 295 | 266 | 255 | 186 |
| Stocks, Seasonally adjusted ³ | 263 | 240 | 234 | 166 |

² Daily Average 1935-39=100.

³ End of Month Average 1935-39=100.

SPECIALTY STORES

| | Net Sales | | Stocks on Hand | | Stock Turnover | |
|--|---|---------------|--|------------------|-------------------------------|------------------|
| | October, 1946 compared with Sept., 1946 | | 10 mos. 1946 to same period 1945 | | Jan. 1 to Oct. 31, 1946 | |
| | Sept., 1946 | Oct., 1945 | Oct. 31, 1945 | Oct. 31, 1945 | Oct. 31, 1946 | Oct. 31, 1945 |
| Men's Furnishings..... | +15% | -- 8% | +29% | + 51% | 4.86 | 3.29 |
| Boots and Shoes..... | + 1 | +25 | +24 | +103 | 7.37 | 8.55 |
| Percentage of accounts and notes receivable outstanding October 1, 1946, collected during October: | | | | | | |
| Men's Furnishings | 66% | | Boots and Shoes..... | 64% | | |
| Trading days: October, 1946—27; September, 1946—24; October, 1945—27. | | | | | | |

RETAIL FURNITURE STORES

| | Net Sales | | Inventories | | Ratio of Collections | |
|------------------------------------|---|---------------|--|------------------|--------------------------|---------------|
| | October, 1946 compared with Sept., 1946 | | Oct. 31, 1946 compared with Sept. 30, 1946 | | Oct., 1946 Oct., 1945 | |
| | Sept., 1946 | Oct., 1945 | Sept. 30, 1946 | Oct. 31, 1946 | Oct., 1946 | Oct., 1945 |
| St. Louis Area ¹ | +15% | + 35% | + 8% | + 66% | 62% | 61% |
| St. Louis..... | +13 | + 35 | + 8 | + 66 | 63 | 63 |
| Louisville Area ² | + 7 | + 20 | + 5 | + 78 | 32 | 33 |
| Louisville | + 6 | + 22 | + 5 | + 76 | 31 | 32 |
| Memphis | 0 | + 4 | + 8 | + 38 | 27 | 28 |
| Little Rock..... | + 4 | + 31 | + 5 | + 94 | 41 | 36 |
| Springfield | +17 | + 18 | * | * | * | * |
| Fort Smith..... | +17 | + 24 | * | * | * | * |
| 8th Dist. Total ³ | +13 | + 31 | + 6 | + 78 | 47 | 45 |

*Not shown separately due to insufficient coverage, but included in Eighth District totals.

¹Includes St. Louis, Missouri; East St. Louis and Alton, Illinois.

²Includes Louisville, Kentucky; and New Albany, Indiana.

³In addition to above cities, includes stores in Blytheville, Pine Bluff, Arkansas; Henderson, Hopkinsville, Owensboro, Kentucky; Greenville, Greenwood, Mississippi; Hannibal, Missouri; and Evansville, Ind.

PERCENTAGE DISTRIBUTION OF FURNITURE SALES

| | Oct., '46 | Sept., '46 | Oct., '45 |
|--------------------|-----------|------------|-----------|
| Cash Sales | 24% | 24% | 24% |
| Credit Sales | 76 | 76 | 76 |
| Total Sales | 100 | 100 | 100 |

consumer demand. At the end of October, reporting department stores' total stocks were 8 per cent and 52 per cent larger (in dollar value), respectively, than at the end of September, 1946, and October, 1945.

October sales at men's wear stores in the district were 15 per cent greater than in September, 1946, but 8 per cent below October, 1945. The shortage of certain types of men's clothing, although diminishing, still prevents the consumer from purchasing in the quantities and at the times desired. Stocks at men's wear stores in this district, however, registered substantial gains in the past month with increases of 10 per cent from the end of the previous month and 51 per cent over October, 1945.

At reporting district furniture stores, sales volume during October was 15 per cent over the previous month and 35 per cent greater than for the same period last year. Generally higher prices and proportionately more higher-priced merchandise account for most if not all of this gain, and unit volume of sales probably is showing little change. A similar situation exists in regard to furniture store inventories which in addition are still considerably out of balance. Inventories in furniture stores at the end of October were 6 per cent more than at the end of September, 1946, and 78 per cent greater than at the end of October, 1945.

AGRICULTURE

There has been little change in the over-all crop outlook for 1946 since the report carried in the last Review. Weather continued unusually mild throughout October and the first killing frost came very late. In general, weather conditions were favorable for the maturing of late plantings and crops and for the harvest which is somewhat further

PRICES

CONSUMERS PRICE INDEX

| Bureau of Labor Statistics (1935-39=100) | Oct. 15, 1946 | Sept. 15, 1946 | Oct. 15, 1945 | Oct. 15, 1946 Sept. 15, 1946 | Comp. with Oct. 15, 1945 |
|--|------------------|-------------------|------------------|---------------------------------|-----------------------------|
| | | | | | |
| United States..... | 148.4 | 145.9 | 128.9 | + 1.7% | +15.1% |
| St. Louis..... | 146.5 | 142.9 | 126.9 | + 2.5 | +15.4 |
| Memphis | * | 146.2 | * | * | * |
| *Not Available | | | | | |

RETAIL FOOD PRICES

| Bureau of Labor Statistics (1935-39=100) | Oct. 15, 1946 | Sept. 15, 1946 | Oct. 15, 1945 | Oct. 15, 1946 Sept. 15, 1946 | Comp. with Oct. 15, 1945 |
|--|------------------|-------------------|------------------|---------------------------------|-----------------------------|
| | | | | | |
| U. S. (51 cities)..... | 180.0 | 174.1 | 139.3 | + 3.4% | +29.2% |
| St. Louis..... | 183.6 | 174.5 | 141.4 | + 5.2 | +29.8 |
| Little Rock..... | 172.3 | * | 138.3 | * | +24.6 |
| Louisville | 167.4 | * | 133.5 | * | +25.4 |
| Memphis | 191.0 | 185.3 | 148.6 | + 3.1 | +28.5 |
| *Not Available | | | | | |

advanced than usual and is now complete for practically all crops except corn and cotton.

Total crop production in the United States in 1946, on the basis of November 1 conditions, was estimated at 3 per cent larger than the former record-breaking output of 1942 and 27 per cent more than was produced on the average in the 1923-32 period. There were record crops this year of corn, wheat, potatoes, tobacco, peaches, pears, plums and truck crops, and near record crops of oats, rice, soybeans, peanuts, grapes, cherries and sugar cane. The only major crops in which production is substantially lower than the long-term average and off even from last year's short crops are cotton and rye. With the exception of the small crop of 1921, the 1946 cotton crop is the shortest since 1895.

Production in 1946 was characterized by very high yields of crops per acre with new records being established for corn, potatoes and tobacco. The composite yield index of the U. S. Department of Agriculture in 1946 was 34 per cent over the 1923-32 average and but two points under the record set in 1942. Acreage for harvest this year was slightly smaller than in each of the last three years but larger than in any of the ten years preceding 1943.

In the Eighth District, fall weather conditions likewise have been favorable for harvesting, and with relatively good supplies of farm labor there is little likelihood that any material volume of crops will spoil in the field. The November 1 crop estimates for the Eighth Federal Reserve District indicated a corn crop of 440 million bushels as compared with 349 million bushels last year, a tobacco harvest of 406 million pounds as compared with 359 million pounds in 1945, and a white potato output of almost 13 million bushels as compared with slightly more than 10 million bushels last year. The district rice crop will total approxi-

NEW MEMBER BANK

On October 23, 1946 the Comptroller of the Currency issued a certificate authorizing the Broadway National Bank of Quincy, Quincy, Illinois, to begin business. The bank opened for business on November 12 and is a member of the Federal Reserve System.

The bank has a capital of \$150,000 and surplus of \$30,000. Its officers are Walter Chatten, President; John T. Reardon, Vice President; J. E. Kline, Cashier, and R. J. Lubbe, Assistant Cashier.

This brings the total membership of the Federal Reserve Bank of St. Louis to 496.

WHOLESALE

| Lines of Commodities | Net Sales | | Stocks | |
|--|--------------------------|----------------------------|---|--|
| | Oct., 1946 Sept., '46 | compared with Oct., '45 | Oct. 31, 1946 compared with Oct. 31, 1945 | |
| Data furnished by Bureau of Census, U. S. Dept. of Commerce.* | | | | |
| Automotive Supplies..... | + 22% | + 18% |% | |
| Drugs and Chemicals | + 9 | + 21 | | |
| Dry Goods | + 21 | + 62 | +34 | |
| Electrical Supplies | + 6 | + 45 | | |
| Furniture | + 7 | + 50 | | |
| Groceries | + 20 | + 45 | +39 | |
| Hardware | + 34 | + 86 | +44 | |
| Tobacco and its Products..... | + 14 | + 27 | | |
| Miscellaneous | + 10 | + 44 | +54 | |
| Total all lines**..... | + 17 | + 51 | +40 | |

*Preliminary.

**Includes certain lines not listed above.

CONSTRUCTION

| BUILDING PERMITS | | | | | |
|----------------------------------|------------------|--------------|----------------|--------------|----------------------|
| (Cost in thousands) | New Construction | | Repairs, etc. | | |
| | Number 1946 | Cost 1945 | Number 1946 | Cost 1945 | 1946 |
| Evansville | 63 | 34 | \$ 135 | \$ 125 | 89 |
| Little Rock..... | 69 | 81 | 382 | 284 | 158 |
| Louisville | 207 | 118 | 720 | 1,898 | 69 |
| Memphis | 630 | 552 | 1,532 | 1,673 | 212 |
| St. Louis | 260 | 214 | 1,239 | 1,234 | 258 |
| Oct. Totals..... | 1,229 | 999 | 4,008 | 5,214 | 786 |
| Sept. Totals..... | 1,119 | 686 | 4,197 | 3,208 | 794 |
| VALUE CONSTRUCTION CONTRACTS LET | | | | | |
| (In thousands of dollars) | Oct., '46 | Sept., '46 | Oct., '45 | Sept., '46 | comp. with Oct., '45 |
| Total 8th Dist.... | \$36,444 | \$21,765R | \$19,311R | +67% | +89% |

Source: F. W. Dodge Corporation. R—Revised.

BANKING

CHANGES IN PRINCIPAL ASSETS AND LIABILITIES FEDERAL RESERVE BANK OF ST. LOUIS

| (In thousands of dollars) | Change from | | |
|--|---------------|---------------|---------------|
| | Nov. 20, 1946 | Oct. 16, 1946 | Nov. 21, 1945 |
| Industrial advances under Sec. 13b.... | \$ 18,533 | + 2,936 | — 23,512 |
| Other advances and rediscounts..... | 1,115,762 | + 20,947 | + 59,709 |
| U. S. securities..... | 1,134,295 | + 23,883 | + 36,197 |
| Total earning assets..... | 629,079 | — 2,684 | + 23,067 |
| Total reserves | 670,290 | + 19,642 | + 6,220 |
| F. R. notes in circulation..... | 1,101,911 | + 14,784 | + 60,038 |
| Industrial commitments under Sec. 13b. | 4,040 | - 0 - | + 4,040 |

PRINCIPAL RESOURCE AND LIABILITY ITEMS OF REPORTING MEMBER BANKS

| (In thousands of dollars) | Change from | | |
|--|---------------|---------------|---------------|
| | Nov. 20, 1946 | Oct. 16, 1946 | Nov. 21, 1945 |
| Total loans and investments..... | \$1,895,222 | + 12,847 | —125,450 |
| Commercial, industrial, and agricultural loans* | 399,708 | + 31,691 | +103,246 |
| Loans to brokers and dealers in securities | 7,279 | — 479 | — 1,828 |
| Other loans to purchase and carry securities | 52,770 | — 2,787 | — 1,636 |
| Real estate loans..... | 97,745 | + 3,944 | + 29,122 |
| Loans to banks..... | 2,516 | + 30 | + 231 |
| Other loans | 138,271 | + 3,801 | + 46,364 |
| Total loans | 698,289 | + 36,200 | +175,499 |
| Treasury bills | 6,578 | — 13,482 | — 43,489 |
| Certificates of indebtedness..... | 109,184 | + 8,699 | —107,714 |
| Treasury notes | 178,419 | — 2,093 | —135,288 |
| U. S. Bonds | 769,815 | — 15,322 | — 10,575 |
| Obligations guaranteed by U. S. Government | 366 | - 0 - | + 4 |
| Other securities | 132,571 | — 1,155 | — 3,887 |
| Total investments | 1,196,933 | — 23,353 | —300,949 |
| Balances with domestic banks..... | 100,592 | — 12,430 | — 12,571 |
| Demand deposits—adjusted** | 1,130,394 | + 10,182 | + 15,296 |
| Time deposits | 373,324 | + 1,957 | + 36,173 |
| U. S. Government deposits..... | 117,098 | — 32,775 | —139,177 |
| Interbank deposits | 591,570 | + 17,670 | — 50,377 |
| Borrowings | 13,500 | + 3,050 | — 25,985 |

*Includes open market paper.

**Other than interbank and Government deposits, less cash items on hand or in process of collection.

Above figures are for selected member banks in St. Louis, Louisville, Memphis, Little Rock and Evansville.

mately 15 million bushels, slightly higher than last year's harvest of 14.6 million bushels and a ten-year (1935-44) average production of 10.2 million bushels. Soybean output in Eighth District states in 1946 is indicated at 118 million bushels, about 1 million bushels more than was produced in 1945 and nearly double average production in the ten years 1935-44.

The district cotton crop this year like that for the nation will be very short, 2.7 million bales, about 125,000 bales less than was produced last year. Cotton production in the district, however, is off somewhat less from last year than is national production.

BANKING AND FINANCE

Business loans at reporting member banks in the Eighth District continued the upward trend which began in July, increasing nearly \$32 million during the past five weeks to a total of \$400 million on November 20. This is an increase of 35 per cent over a year ago for the district as compared with 51 per cent for the nation. While the gain for the month appeared to be largely seasonal, being about the same as for the corresponding month last year, the increase since July 1 was double that for the same period in 1945. St. Louis and Memphis banks again accounted for the greater part of the month's rise.

Continued activity in the real estate market is reflected in another increase of \$4 million in real estate loans, the level on November 20 being \$29 million above a year ago. Miscellaneous loans, reflecting a further expansion of consumer credit, were \$4 million above the mid-October level and \$46 million above a year earlier. Loans to purchase

securities declined \$3 million in the five weeks but remained only \$3 million below a year ago.

Investments of district reporting banks declined \$23 million during the past five weeks with sizable decreases in holdings of U. S. bonds, Treasury notes and Treasury bills being only partially offset by a rise of \$9 million in certificates of indebtedness. Government bond holdings were down \$15 million for the month and were \$69 million below the peak of \$839 million reached in early March. Treasury notes were off \$2 million and "other" securities \$1 million. St. Louis banks accounted for nearly all the decreases in Treasury bills and in Government bonds. Holdings of Treasury notes and certificates of indebtedness were only about one-half the totals of a year earlier but U. S. bonds were only slightly below the level of a year ago. Total investments at reporting banks have declined \$301 million in the year, or 20 per cent, as compared with a 15 per cent drop reported by member banks in leading cities throughout the country.

Demand deposits reported by district banks increased \$10 million during the five-week period, reflecting gains in deposits of states and political subdivisions and in bankers' balances, which were partly offset by a slight decrease in deposits of individuals, partnerships and corporations and a \$33 million decline in U. S. Government deposits, occasioned by War Loan account withdrawals. During the past year, U. S. Government demand deposits have decreased 54 per cent while deposits of individuals and business concerns have risen 4 per cent. Time deposits rose \$2 million during the month, about two-thirds the increase for the same period last year.

DEBITS TO DEPOSIT ACCOUNTS

| (In thousands of dollars) | Oct., 1946 | Sept., 1946 | Oct., 1945 | Oct., '46 comp. with Sept., '46 | Oct., '45 |
|---------------------------|-------------|-------------|-------------|---------------------------------|-----------|
| El Dorado, Ark..... | \$ 15,861 | \$ 15,329 | \$ 11,606 | + 3% | +37% |
| Fort Smith, Ark..... | 35,342 | 31,118 | 28,566 | +14 | +24 |
| Helena, Ark..... | 9,112 | 5,969 | 5,516 | +53 | +65 |
| Little Rock, Ark..... | 113,966 | 103,751 | 90,319 | +10 | +26 |
| Pine Bluff, Ark..... | 34,148 | 24,399 | 19,826 | +40 | +72 |
| Texarkana, Ark.-Tex. | 10,328 | 8,961 | 7,744 | +15 | +33 |
| Alton, Ill..... | 18,274 | 16,824 | 14,942 | + 9 | +22 |
| E.St.L.-Nat.S.Y., Ill. | 98,784 | 63,680 | 83,118 | +55 | +19 |
| Quincy, Ill..... | 25,636 | 20,949 | 18,434 | +22 | +39 |
| Evansville, Ind..... | 84,978 | 76,833 | 73,540 | +11 | +16 |
| Louisville, Ky..... | 418,760 | 379,015 | 356,226 | +10 | +18 |
| Owensboro, Ky..... | 23,691 | 20,242 | 22,204 | +17 | + 7 |
| Paducah, Ky..... | 12,766 | 11,445 | 9,530 | +12 | +34 |
| Greenville, Miss..... | 18,707 | 14,210 | 13,635 | +32 | +37 |
| Cape Girardeau, Mo. | 8,987 | 8,061 | 6,123 | +11 | +47 |
| Hannibal, Mo..... | 7,589 | 6,614 | 5,084 | +15 | +49 |
| Jefferson City, Mo..... | 43,658 | 45,798 | 33,116 | - 5 | +32 |
| St. Louis, Mo..... | 1,255,264 | 1,214,001 | 1,034,336 | + 3 | +21 |
| Sedalia, Mo..... | 9,239 | 8,614 | 7,031 | + 7 | +31 |
| Springfield, Mo..... | 56,880 | 52,014 | 40,046 | + 9 | +42 |
| Jackson, Tenn..... | 21,246 | 13,578 | 13,508 | +56 | +57 |
| Memphis, Tenn..... | 543,352 | 368,731 | 359,335 | +47 | +51 |
| Totals | \$2,866,568 | \$2,510,136 | \$2,253,785 | +14 | +27 |

AGRICULTURE

| CASH FARM INCOME | | | | | |
|---------------------------|-----------|-----------|-------------------------|-------------|-------------|
| (In thousands of dollars) | September | | Cumulative for 9 months | | |
| | 1946 | 1945 | 1946 | 1945 | 1944 |
| Arkansas | \$ 37,244 | \$ 28,867 | \$ 193,751 | \$ 165,514 | \$ 168,211 |
| Illinois | 70,678 | 76,515 | 861,328 | 815,125 | 848,977 |
| Indiana | 47,853 | 60,583 | 498,289 | 482,269 | 500,802 |
| Kentucky | 18,529 | 21,316 | 267,852 | 302,146 | 254,129 |
| Mississippi | 39,629 | 49,199 | 165,741 | 175,178 | 154,808 |
| Missouri | 52,369 | 55,436 | 489,318 | 484,558 | 497,232 |
| Tennessee | 22,394 | 21,622 | 223,550 | 207,453 | 207,947 |
| Totals | \$288,696 | \$313,538 | \$2,699,829 | \$2,632,243 | \$2,632,106 |

| RECEIPTS AND SHIPMENTS AT NATIONAL STOCK YARDS | | | | | |
|--|------------|-------------|------------|------------|-------------|
| | Receipts | | | Shipments | |
| | Oct., 1946 | Sept., 1946 | Oct., 1945 | Oct., 1946 | Sept., 1946 |
| Cattle and Calves..... | 231,160 | 136,798 | 259,890 | 150,662 | 109,703 |
| Hogs | 139,726 | 12,513 | 107,706 | 38,642 | 5,825 |
| Horses and Mules..... | 4,770 | 4,991 | 3,913 | 4,770 | 4,991 |
| Sheep | 97,984 | 65,459 | 110,596 | 27,087 | 39,179 |
| Totals | 473,640 | 219,761 | 482,105 | 221,161 | 159,698 |