Monthly Review

FEDERAL RESERVE BANK OF ST. LOUIS

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Bank Loans to Business

SUMMARY REPORT OF FEDERAL RESERVE SURVEY OF BUSINESS LOANS

Commercial banks have been playing a significant part in postwar business financing—a more important part than many anticipated in view of the large liquid asset holdings of business firms. The sharp increase in bank loans relative to investments in the postwar period marks a reversal in the downward trend which had been under way since 1920, particularly since 1929. Loans constituted 62 per cent of Eighth District member bank assets at the end of 1920 and 56 per cent at the end of 1929. The drastic shrinkage in loans which accompanied the depression, together with an appreciable increase in bank investments, dropped the ratio to 27 per cent in 1935. After a slight increase in the ratio of loans to total assets in the later thirties, a decline in loans over the war years and the tremendous gain in Government security holdings of banks resulted in the ratio declining to a low of 16 per cent at the end of 1944. The sharp rise in loans after V-J Day raised the percentage of loans to total assets to 17 per cent on December 31, 1945, and together with a decrease in investments, to about 23 per cent at the end of 1946.

The war and postwar trend in loans in the Eighth District is portrayed in the chart. The demand for bank credit during the war period was influenced primarily by two opposing forces: the stimulative effects of the war production program and the contractive effects of controls and limitations on nonessential civilian production. Prior to the inauguration of controls, the defense program initiated an expansion which lifted commercial and industrial loans of Eighth District member banks 94 per cent from June, 1939, to December, 1941. This compares with a 70 per cent gain for all member banks in the United States. After Pearl Harbor, nonessential activity began to be curtailed and the liquidation of old loans more than offset the new business loans for war purposes. Important contractive factors were a decrease in the number of operating businesses, higher ratios of sales to inventories and accounts receivable, and a reduction in finance company borrowing due to a decreasing volume of consumer credit. The result was a decline in commercial and industrial loans, the wartime low being reached in June, 1943. Except for seasonal movements, there was little change until June, 1945. Reconversion and replacement requirements, rising ratios of inventories and accounts receivable to sales, and increasing consumer credit engendered a rise in Eighth District member bank commercial and industrial loans from $258 million in June, 1945, to nearly $500 million at the end of December, 1946—an increase of 90 per cent. The increase for the country as a whole was approximately 80 per cent.

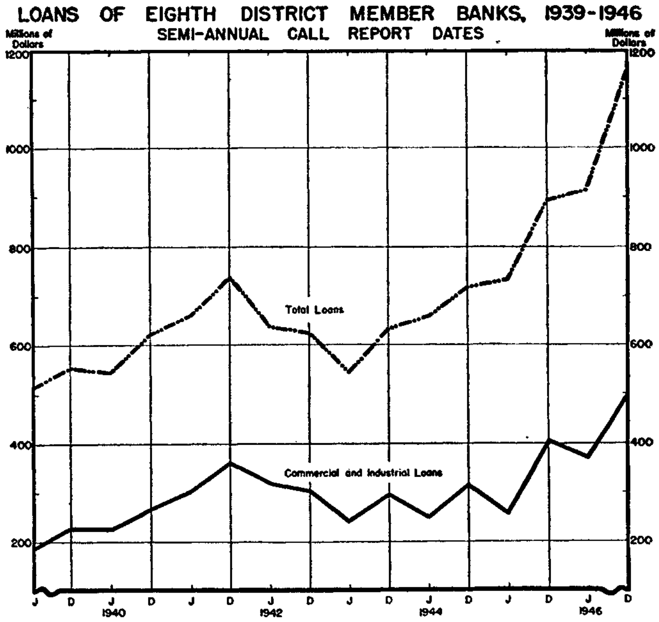
Business loans are important to the banks, the borrower and the community. They are important to the banks because they constitute a large amount of total loan portfolios and provide a substantial share of total bank earnings. In Eighth District member banks, commercial and industrial loan volume currently is about 40 per cent of total loan volume, and total loans provide about 35 per cent of total earnings. They are important to business because they provide a major source of funds for working capital and for the expansion and replacement of plant and equipment. They are important to the community because an adequate supply of credit on terms adapted to the needs of the borrower is essential for economic growth and development.

THE SAMPLE OF REPORTING BANKS

Despite the general significance of business loans, relatively little information has been assembled as to such things as the terms on which loans are granted, the characteristics of the borrowers, and the extent to which small business is being financed. It was to provide information on such questions that the Federal Reserve System conducted a survey of commercial and industrial loans and real estate loans extended for business purposes, outstanding as of November 20, 1946. In this district, reports were received from a carefully selected sample of 121 member banks. About 25 per cent of the member banks in the district were included in the sample and these banks held about 65 per cent of the commercial and industrial loans of all district member banks on June 29, 1946. The reports of these sample banks provide the basis for the estimates of the number and dollar amount of business loans for all member banks in the district.

This bank's method of obtaining the requisite data for its loan survey was similar to methods employed by other Reserve banks. All member banks in the district were divided into four size classes (based on their total deposits) and each of these size groups was subdivided into three smaller groups (on the basis of geographic location, relative amount of commercial and industrial loans, and type of charter). From each of these groups a sample was drawn at random. It consisted of about one-sixth of the very small banks, one-quarter of the next larger size group, and almost all of the two largest size groups. The reason for the heavy proportion of large banks was that such banks hold many more individual loans than do smaller institutions. To make the sample representative and at the same time avoid placing too much of a burden on the large banks, these institutions were asked to classify all of their large business loans (those of more than $100,000 or $1,000,000, depending on the size of the bank) but only one-sixth of their remaining business loans. The smaller banks were asked to classify all of their business loans. To get roughly equivalent proportions of loans classified by small and by large banks, it thus was necessary to request reports from relatively more large banks than small banks. This procedure spread the work load of getting up the survey data among almost all of the large banks rather than concentrating much heavier work loads on a few such institutions.

LOANS OF EIGHTH DISTRICT MEMBER BANKS, 1939-1946
SEMI-ANNUAL CALL REPORT DATES



This technique provided a sample that was well-balanced and apparently very representative of district banking. Each of the banks drawn into the sample was asked to classify its individual business loans, giving data on amount of loan, term, maturity, business and asset size of borrower, and other details. The response of the banks in the sample was gratifying—about 85 per cent of those originally selected turned in usable reports. In surveys of this type, where a relatively small sample is used, it is highly important that the sample originally selected report in order to avoid possible bias. This condition was met adequately in the business loan survey.

CHARACTERISTICS OF THE BORROWER

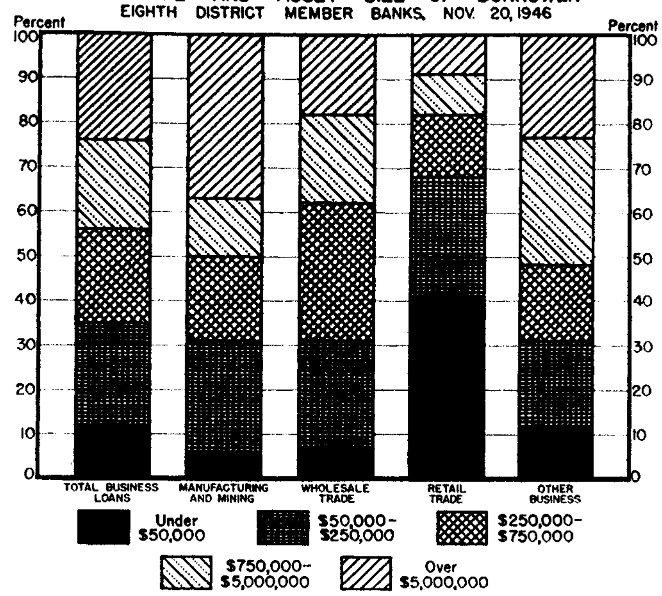
It is estimated that all Eighth District member banks held about 29,000 loans, aggregating $547 million, to commercial and industrial firms on November 20, 1946. These loans included commercial and industrial loans (as classified in Schedule A of the call report) and real estate loans for business purposes. They were distributed among businesses engaged in a wide variety of economic activity. Over 5,000 loans for a total of $164 million were to manufacturing and mining concerns, 3,800 loans for $158 million were to businesses engaged in wholesale trade, 11,000 loans totaling $58 million were to borrowers in retail trade, and 8,600 loans aggregating $163 million represented loans to other borrowers, such as transportation and other public utilities, building and construction and service establishments.

One interesting characteristic of the borrowing firms is that 18,600 of the loans, or 65 per cent of the total, were to firms with total assets of less than $50,000. Another 7,100, or 25 per cent, were to businesses with total assets of $50,000 to $250,000. Hence, almost 26,000 of the 29,000 loans, or 90 per cent of the total, represent advances to businesses with total assets of less than $250,000.

There is considerable variation in the size of borrower among the major classes of business. The small concern is predominant in retail trade and "other business." Some lines in this miscellaneous category are characteristically big business, but most of them, notably small transportation units, building and construction, service establishments, etc., are characteristically small business. About four-fifths of the retail trade loans and two-thirds of the loans to "other business" were to firms with total assets of less than $50,000. Less than 3 per cent of the borrowers in retail trade had total assets of $250,000 or above. This reflects the localized nature of retail trade and the dominance of the small business, measured in terms of the number of stores, in that line. The average size of firm in manufacturing, mining, and wholesale trade is larger and only 47 and 43 per cent, respectively, of the loans in these groups were to businesses with less than $50,000 in assets. Even in these groups, however, only slightly more than one-fifth of the loans were to firms with assets in excess of $250,000.

While the small business accounted for a large majority of the total number of loans, total dollar volume was more equally distributed among the size groups. The concerns with assets under $50,000 accounted for only 12 per cent of total dollar amount of outstanding loans as compared to 65 per cent of the total number of loans. Each of the other four size groups accounted for from 20 to 24 per cent of the dollar volume, the average size of the loan being considerably greater for the larger businesses. In manufacturing and mining and in "other business," 50 per cent and 52 per

DISTRIBUTION OF DOLLAR AMOUNT OF BUSINESS LOANS BY TYPE AND ASSET SIZE OF BORROWER
EIGHTH DISTRICT MEMBER BANKS, NOV. 20, 1946



cent, respectively, of the dollar volume of loans outstanding were to firms with total assets of $750,000 and above. Business firms with assets of $5,000,000 and over accounted for 37 per cent of the total amount of loans to manufacturing and mining companies, reflecting the larger average size of firm which is typical of these businesses. In retail trade the large proportion of the aggregate dollar volume of loans going to the small businesses—41 per cent of the total to those with less than $50,000 of assets and 28 per cent to those with $50,000 to $250,000—is further evidence of the small-scale operations prevalent in this field.

The business loan portfolio of district member banks is well diversified, both the number and dollar volume of loans being distributed among businesses engaged in many different types of economic activity within the major classifications.

The importance of food, liquor and tobacco products in this district is reflected in the distribution of business loans. The processing of these products accounted for 41 per cent of the loan volume to manufacturing and mining concerns and 12 per cent of the district total of all business loans. Metal

NUMBER OF BUSINESS LOANS BY ASSET SIZE AND TYPE OF BORROWER
EIGHTH DISTRICT MEMBER BANKS, NOVEMBER 20, 1946

Asset Size of Borrower	Total* Number	Total* Percent	Manufacturing and Mining Number	Manufacturing and Mining Percent	Wholesale Trade Number	Wholesale Trade Percent	Retail Trade Number	Retail Trade Percent	Other Number	Other Percent
Under $50,000	18,630	65	2,370	47%	1,630	43%	8,780	78%	5,780	67%
$50,000-$250,000	7,140	25	1,510	30	1,300	34	2,250	20	2,040	24
$250,000-$750,000	1,830	6	690	14	510	13	180	1	440	5
$750,000-$5,000,000	630	2	240	5	130	4	70	1	180	2
$5,000,00 and over	360	1	150	3	60	2	20	†	130	1
Unclassified	280	1	50	1	150	4	20	†	60	1
Total	28,870	100	5,010	100	3,780	100	11,320	100	8,630	100

* Includes 130 firms not classified by type of business.
† Less than ½ of 1 per cent.

products, machinery, automobiles and transportation equipment were also important borrowers in the manufacturing group. Food, liquor, tobacco and drugs constituted the largest number and dollar amount of loans to firms engaged in wholesale trade, except for the "all other" group which includes, among others, farm feed, jewelry, fuel and paper. Transportation and other public utilities, sales finance companies and "others," including forestry, fishing and real estate, were among the important borrower groups, each taking nearly 8 per cent of the total dollar amount of business loans. Sales finance companies were large borrowers both as to aggregate amount and the size of loan, the latter averaging $117,000 per loan.

DISTRIBUTION OF LOANS BY BUSINESS OF BORROWER EIGHTH DISTRICT MEMBER BANKS, NOVEMBER 20, 1946

Business of Borrower	Number of Loans	Amount (In millions)	Percentage Distribution Number	Percentage Distribution Amount
Manufacturing and Mining				
Food, liquor and tobacco	1,130	$ 67	3.9%	12.3%
Textile, apparel and leather	280	7	0.9	1.3
Metals, metal products, electrical machinery, automobiles and transportation equipment	830	35	2.9	6.4
Petroleum, coal, chemicals and rubber	1,020	27	3.5	4.9
All other (incl. lumber, furniture, paper and printing, and stone, clay and glass)	1,750	28	6.1	5.1
Total	5,010	$164	17.3	30.0
Wholesale Trade				
Food, liquor, tobacco and drugs	1,370	$ 38	4.7	6.9
Apparel, dry goods, shoes and related raw materials	260	11	0.9	2.0
Home furnishings, hardware, machinery and metal products, lumber and building materials, plumbing and heating equipment	810	11	2.8	2.0
Automobiles and parts, petroleum	450	2	1.6	0.4
All other (incl. farm feed, jewelry, fuel and paper)	890	96	3.1	17.6
Total	3,780	$158	13.1	28.9
Retail Trade				
Food, liquor, restaurants, tobacco and drug stores	3,720	$ 13	12.9	2.4
Apparel, dry goods, shoes, department stores, mail order houses, variety and general stores	1,300	14	4.5	2.5
Home furnishings, furniture, electrical appliances, hardware and farm implements, lumber and building materials, plumbing and heating equipment	2,840	11	9.8	2.0
Automobiles and accessories, filling stations	2,380	13	8.2	2.4
All other (incl. farm feed, fuel, and jewelry stores)	1,080	7	3.8	1.3
Total	11,320	$ 58	39.2	10.6
Other				
Transportation, communications, other public utilities	2,250	$ 43	7.8	7.8
Services (hotels, repair, amusements, personal, domestic and professional)	2,840	13	9.8	2.4
Building and construction	1,600	22	5.6	4.0
Sales finance companies	360	42	1.2	7.7
All other (incl. forestry, fishing, real estate)	1,580	43	5.5	7.9
Total	8,630	$163	29.9	29.8
Unclassified	130	4	0.5	0.7
GRAND TOTAL	28,870	$547	100.0	100.0

One of the most significant results of the survey with regard to asset size and type of business borrower is the close correlation between the number of loans going to businesses with assets of less than $250,000 and the proportion of all small businesses to total number of businesses. About 9 of every 10 business loans made by banks in this district went to borrowers which (in terms of asset size) would be classed as small business. According to most widely accepted definition, about 9 of every 10 business firms in the United States are small businesses. This district, representative in so many repects of the nation as a whole, probably is equally representative in its proportion of small business establishments to all business establishments. Similarly the proportion of total dollar amount of loans to borrowers in the two smallest classes is in general agreement with the relative share of employment or of sales volume of small business firms as traditionally defined. It appears, therefore, that the banks of this district are not neglecting the financing of small business.

TERMS OF LOANS

One criterion of a good credit system is that lenders fit the terms of their loans to the needs of the individual borrowers. Among the important loan terms are the interest rate, the length of maturity, the type of security and the method of repayment.

DISTRIBUTION OF BUSINESS LOANS BY INTEREST RATE EIGHTH DISTRICT MEMBER BANKS, NOVEMBER 20, 1946

Interest Rate* (Annual)	Number of Loans	Amount (In millions)	Percentage Distribution Number	Percentage Distribution Amount
1 to 2 per cent	690	$136	2%	25%
2 to 3 "	1,220	96	4	17
3 to 4 "	2,710	135	10	25
4 to 5 "	7,510	117	26	21
5 to 6 "	6,120	34	21	6
6 to 7 "	8,710	26	30	5
7 per cent and over	1,910	3	7	1
Total	28,870	$547	100	100

* The range in each case is up to, but not inclusive of the higher figure.

Rates charged business borrowers by Eighth District member banks ranged from a low of 1 per cent to a high of 12 per cent. Six per cent was the most frequent charge, this being the annual rate on 8,700 loans or 30 per cent of the total. The majority of the loans were made at rates from 4 to 7 per cent, 77 per cent of the total number falling within these limits. The reverse is true when dollar amount is considered, the bulk of the loan volume being carried at the lower rates. Borrowers representing one-fifth of the dollar total paid 1.5 per cent, and 88 per cent of the dollar total was at interest rates below 5 per cent. Thus banking charges vary according to the size of loan, the large loans usually being made at rates considerably below the small ones.

The typical business loan in the Eighth District is for one year or less, this category accounting for 75 per cent of the total. The maturity distribution varies, however, both according to size of bank and business of the borrower.

MATURITY DISTRIBUTION OF BUSINESS LOANS OF EIGHTH DISTRICT MEMBER BANKS, NOVEMBER 20, 1946,

BY SIZE OF BANK

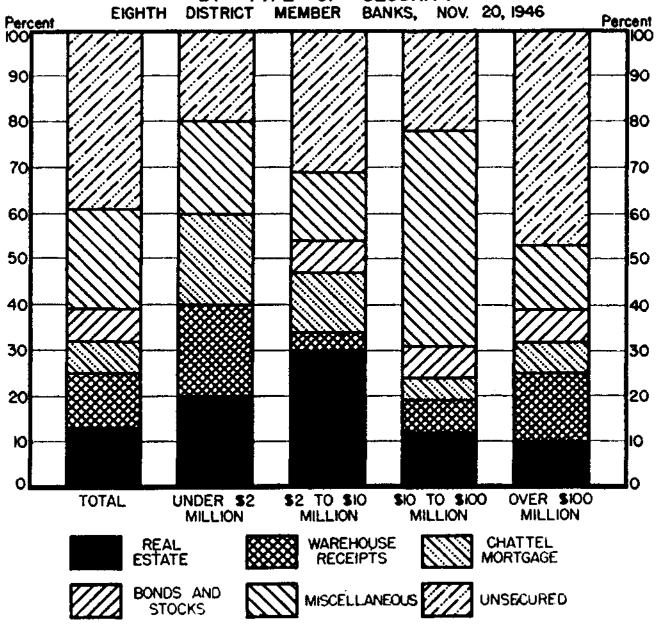
	Amount (In millions)		Percentage Distribution	
Size of Bank	One Year or Less	Over One Year	One Year or Less	Over One Year
Under $2 million	$ 4	$ 1	82%	18%
$2-$10 million	38	17	69	31
$10-$100 million	118	20	86	14
Over $100 million	252	97	72	28
Total	$412	$135	75	25

BY TYPE OF BORROWER

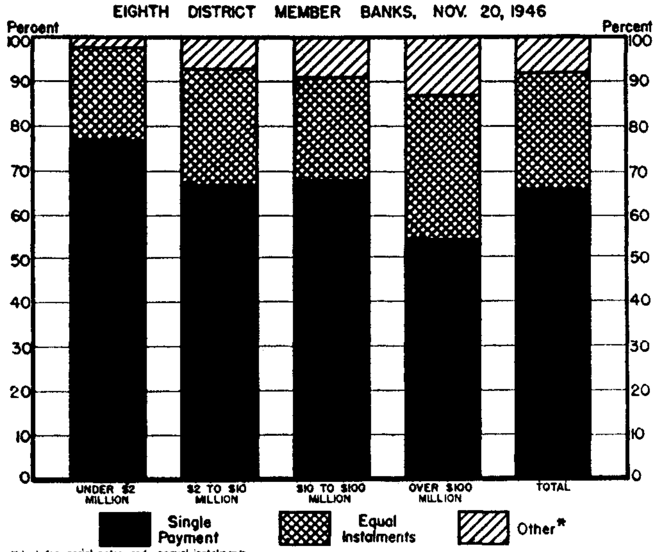
	Amount (In millions)		Percentage Distribution	
Business of Borrower	One Year or Less	Over One Year	One Year or Less	Over One Year
Manufacturing and Mining	$108	$ 57	66%	34%
Wholesale Trade	148	10	94	6
Retail Trade	40	17	70	30
Other	116	51	69	31
Total	$412	$135	75	25

Banks with deposits of $10 to $100 million had 86 per cent of their business loans maturing in one year or less. This is due largely to the fact that nearly one-half of the loans of this size group were to firms engaged in wholesale trade, 94 per cent of such firms' borrowings being for one year or less. Banks with deposits under $2 million also held only a very small amount of business loans maturing in more than one year. Banks with deposits of $2 to

DISTRIBUTION OF DOLLAR AMOUNT OF BUSINESS LOANS BY TYPE OF SECURITY
EIGHTH DISTRICT MEMBER BANKS, NOV. 20, 1946



METHOD OF REPAYMENT OF BUSINESS LOANS OUTSTANDING
EIGHTH DISTRICT MEMBER BANKS, NOV. 20, 1946



* Includes serial notes and unequal instalments

$10 million and over $100 million held a larger proportion of longer-term loans, the latter particularly holding a large volume of term loans to manufacturing, transportation and public utility concerns. Businesses of this type have been borrowing to meet rather heavy expenditures for plant and equipment.

Of the $547 million of business loans outstanding, 75 per cent were for one year or less. Businesses engaged in wholesale trade with relatively small fixed asset requirements and a high rate of inventory turnover, borrowed only 6 per cent of their funds for more than one year. The heavy expenditure for fixed assets and the greater need for longer-term credit is reflected in a larger proportion of longer-term loans in manufacturing and mining, transportation, and other public utilities. Nearly one-third of the loans to retail trade were for more than a year also, perhaps due partially to the establishment of new businesses which required some credit for the purchase of fixed assets such as building and furniture and fixtures.

The small banks are more likely than the larger ones to require the borrower to pledge some specific security for repayment of the loan. Only 20 per cent of the dollar amount of business loans of banks with deposits under $2 million were unsecured as compared to 47 per cent for the banks with deposits in excess of $100 million, and 39 per cent for all district member banks. Real estate was pledged as security for 13 per cent of the $547 million of business loans, warehouse receipts secured another 12 per cent and stocks and bonds and chattel mortgages secured another 7 per cent each.

The single payment continues to be the most widely used method of repayment, 66 per cent of the total number of loans utilizing this plan. There seems to be no definite tendency for banks of different size to favor any particular method of repayment. Banks with deposits under $2 million used the single payment method in 77 per cent of their business loans as compared to an average of 66 per cent for all banks, but a larger proportion of their loans were short-term advances to retail trade—a type of loan for which the single payment method is well suited. The big banks make a larger proportion of instalment loans but they also make a larger percentage of longer-term loans for which this method of repayment is well adapted.

CONCLUSIONS

The demand for business credit depends upon general business conditions and business policies regarding such factors as credit sales, retained earnings, inventory to sales ratio, and the expansion and replacement of fixed assets. Business demand for bank credit, however, depends in addition upon the willingness and ability of the banks to adapt their lending policies to the changing needs of business. Although certain factors, such as the short-term nature of deposit liabilities and regulations affecting bank loans and investments, limit the flexibility of banks in adjusting to new conditions, they must do so as far as possible if they are to compete successfully with other lending agencies.

The loan survey indicates that banks are attempting to meet the credit needs of business and to adapt the terms of their loans to the needs of the borrower. Where credit is needed for fixed assets such as plant and equipment, the longer-term loan is becoming more prevalent. The latter is giving rise also to repayment by instalments which reduces the risk to the lender and facilitates repayment by the borrower. Moreover, many banks are willing to accept a number of different types of security and, if the credit standing of the borrower is sufficient, to dispense with pledged security altogether. In adapting their lending terms to the changing needs of their business borrowers, the banks will profit from a larger loan volume and from business development in the local community.

Clay J. Anderson.

Survey of Current Conditions

The sharp contrast between the first part of 1947 and the comparable period in 1946 well illustrates the restrictive effects of maladjustments in the economy. So far this year, production is running appreciably ahead of early 1946—in terms of the Federal Reserve index of industrial production, about 15 per cent higher. This situation reflects a much more smoothly operating industrial plant now than in January-February, 1946. Labor management friction is considerably less than a year ago, materials flow is much better geared to output, and labor productivity is rising. A vivid example of better conditions is found in the basic steel industry. January production of ingots and steel for castings was almost twice that of a year ago and was at an annual rate only 6 per cent below the wartime peak.

The apparent efforts of top business and labor leaders in some important segments of industry, for example steel, to arrive at mutually satisfactory settlements of their differences without disrupting production, are encouraging. Such efforts, when they occur in the basic commodity producing industries, take on special significance. They reflect not only in continued employment of large numbers of workers (with consequent maintenance of income) but, equally, perhaps even more important, are conducive to a steady flow of key raw materials to manufacturers throughout industry.

Recent price trends emphasize the importance of maintaining industrial output at a high level. Wholesale prices of manufactured goods in January averaged slightly higher than in December, while semi-finished goods and the broad list of commodities other than farm and food products increased at a considerably higher rate. Consumers prices reflect some of the recent increases at the producers' level but constant upward adjustments of wholesalers' prices invariably result in additional pressure at the retail level. Further wage increases may provide temporary relief for some consumers but fundamental and more than short-run benefits can come only as a result of lower prices, which are dependent, primarily, on continued large-scale production. Thus, the relatively stable level of industrial relations so far in 1947 has basic implications with respect to the outlook for employment, production and prices.

EMPLOYMENT

The usual seasonal decline in trade, service, and agricultural employment occurred in the Eighth District between December, 1946, and January, 1947, but was offset by employment increases in manufacturing and Government. Rising federal employment reflects staffing of the large Army Records office at St. Louis. Both regular unemployment compensation claims and servicemen's readjustment allowances filed in the district in January were higher than in the past several months chiefly because of the seasonal layoffs. Total district employment is expected to increase during the first half of 1947, although not at the rapid rate of 1946. The largest gains are anticipated in construction, manufacturing, and agriculture.

The influx of school graduates into the labor market has led to increased unemployment which probably is only temporary. As a result, the shortage of female workers, particularly in the clerical field, has eased somewhat. Demand for women employees still exceeds supply, partly reflecting more stringent hiring specifications, especially with regard to age. Many women held temporary jobs during the Christmas season and have since returned to their homes.

The labor market probably will continue tight during the next few months as employment is still on the upgrade and unemployment remains at close to a minimum. However, employers should have less difficulty in maintaining an adequate staff since the labor force is becoming more stabilized. The year following the end of the war saw an excessive movement of workers between jobs, a heavy migration of workers from one area to another, and thousands of returning servicemen being absorbed in industry. Currently, turnover rates are decreasing as workers become more reluctant to quit present jobs and the majority of the veterans have been absorbed.

INDUSTRY

Total industrial activity in the Eighth District in January showed little change from the preceding month. Certain divergent trends as between industries were apparent, however; for example, increases were indicated in coal production and some manufacturing industries while output of lumber and crude oil declined.

Industrial power consumption in the major district cities in January was 2 per cent larger than in December and 28 per cent more than in January, 1946. Consumption declined slightly from the December level in Louisville, was relatively unchanged in Little Rock and Pine Bluff and increased in Evansville, Memphis and St. Louis. The largest increase over December was in Evansville where January consumption was 11 per cent larger than in December and 48 per cent greater than in January, 1946.

Manufacturing—Manufacturing output averaged slightly higher in January than in the preceding month, although in some lines operations were curtailed temporarily by fuel shortages resulting from cold weather. Increased production is indicated in the chemicals, transportation equipment, electrical equipment and brewing industries.

In the St. Louis area the basic steel industry operated at about 58 per cent of capacity in January as compared with 60 per cent in December and 40 per cent in January, 1946. Open hearth furnace operations were restricted during part of the month by temporary shut-downs for maintenance and repairs.

Preliminary estimates indicate that total lumber production in the district declined seasonally in January but was larger than in the same month a year ago. Estimated production of southern pine was 11 per cent less than in December but 4 per cent larger than in January, 1946. The southern hardwood industry operated at about 73 per cent of capacity as compared with 71 per cent in December and 45 per cent in January, 1946.

During the first quarter of 1947, substantial year-to-year gains are expected in district lumber output, due to improved operating conditions and to a more favorable price situation as compared with early 1946. Production in the first quarter of 1946 was at an abnormally low level, reflecting adverse weather conditions, labor and equipment shortages and dissatisfaction with respect to price ceilings.

In November, latest month for which there are available figures, total production in the district states amounted to 485 million board feet or 33 per cent more than in November, 1945. Lumber inventories held by mills and concentration yards at the end of November were almost 50 per cent larger than a year earlier and were at the highest level since early in 1944.

At the end of January, 58 of the 63 distilleries in Kentucky were in operation, the same number as were in production at the end of December. At the close of January, 1946, there were 49 distilleries in operation. Restrictions on grains available to the whisky producing industry, particularly rye and barley, continued to limit actual production volume. Limitations on the purchase of corn were eased recently, but controls on the small grains which constitute a sizable proportion of total grains used continue to hold down whisky output. Production of whisky in the United States in December totalled 19.8 million tax gallons as compared with 7.8 million in November and 15.9 million in December, 1945. Total whisky stocks at the year-end amounted to 391.6 million gallons or 15 per cent above a year earlier.

Meat packing operations increased in January and were at a substantially higher level than in January, 1946. The number of animals slaughtered under Federal inspection in the St. Louis area was 7 per cent larger than in December, totaling 523,000 as compared with 488,000 in December and 423,000 in January, 1946. Cattle and calf slaughter declined fractionally during the month. The number of sheep and hogs slaughtered in January was 25 per cent and 8 per cent higher, respectively.

Mining and Oil—Coal production in Eighth District states in January was at a new peak, totaling 18.7 million tons as compared with the previous record monthly output of 18.2 million tons in March, 1946. Production in January was 40 per cent larger than in December and 13 per cent greater than in January, 1946. The increase from December reflected largely more days worked in mines. In the first part of December, the coal strike was in effect. Daily average output in Indiana was 39 per cent larger than in December, while in Kentucky and Illinois gains of 36 per cent and 30 per cent, respectively, were reported. The rate of increase from December and from January, 1946, was larger in all the district states, except Illinois, than in the nation as a whole.

Daily average production of crude oil in the district in January was 2 per cent less than in December and slightly below that in January, 1946. For the district as a whole, output averaged 322,000 barrels per day in January as compared with 330,000 barrels per day in December and 327,000 barrels per day in January, 1946. Average output was lower in each of the district's oil producing states in January than in December, with the largest relative declines occurring in Indiana and Kentucky. Production in Indiana and Arkansas increased over a year ago but declines in Illinois and Kentucky were large enough to drop total district production below that of January, 1946. The decline from December was larger, percentagewise, than the decrease in output in the remainder of the country, and relative to production in January, 1946, the district decline differed from the trend in national output which averaged about the same as a year ago.

Although exploratory activity increased only slightly during January, resulting in a total of 285 new well completions as compared with 283 in December, the number of new oil producing wells rose from 135 or 48 per cent of total completions in December to 157 or 55 per cent of the total in January. Two-thirds of the new oil producers completed in January were in Illinois fields, 14 per cent in Indiana, 12 per cent in Kentucky, and 8 per cent in Arkansas.

Construction—The value of building permits awarded in the major district cities reversed the usual seasonal trend from December to January, rising to a total of $4.6 million as compared with $2.6 million in December. Increases occurred in all of the reporting cities and ranged from 13 per cent in Louisville to 120 per cent in St. Louis. The total value of permits, however, was considerably less than the $7.6 million reported in January, 1946, when the monthly total was the third largest on record. Year-to-year declines occurred in all cities except Little Rock where January permits were 22 per cent above January, 1946.

Authorizations for new residential construction in the cities for which data are available, St. Louis, Little Rock and Memphis, were valued at $1.5 million in January, equal to twice the value of residential permits awarded in January, 1946, and almost three times the value of December housing permits. While the increase over a year ago is comparable with that in the nation as a whole, the large gain from December is much greater than the month-to-month increase of 33 per cent in the value of residential construction in the United States from December to January.

AGRICULTURE

Cash income from farm marketings in the United States in January is estimated at $2.1 billion, 40 per cent higher than a year earlier. Income from livestock was about 50 per cent higher than in January, 1946, while that from crops was up about 15 per cent. A substantial part of the increased income from livestock was due to higher prices, but some of the gain reflected increased marketings. Higher income from crops reflects higher prices almost entirely. February cash farm income is expected to be down about 10 per cent from January, largely because of the shorter month. However, February, 1947, cash farm income is expected to be 45 per cent larger than in February, 1946.

In district states, December cash farm income (latest figures available) was up 43 per cent from that of December, 1945. The sharpest increase was 121 per cent in Arkansas, while Kentucky income was off 5 per cent from a year earlier. December cash farm income was lower than in November in five district states, decreasing most (35 per cent) in Mississippi. In Kentucky it was up 192 per cent and in Tennessee, 6 per cent.

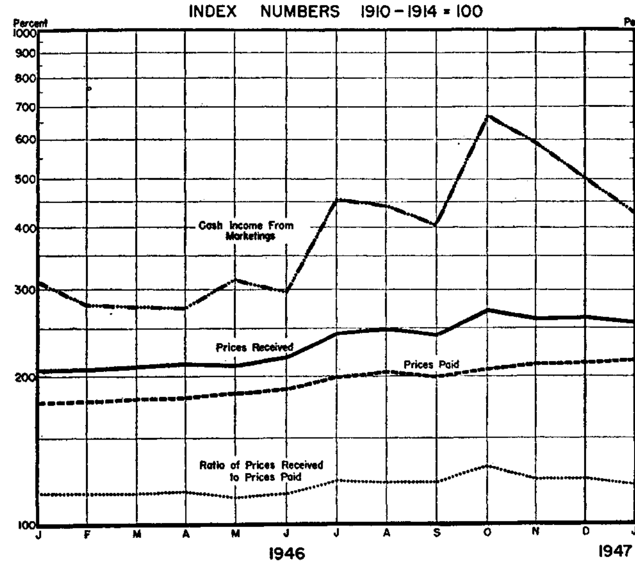
In January, prices of farm products continued the downward movement apparent since the recent peak reached last October. January 15 farm prices averaged 1.5 per cent lower than those of December 15, although they were 21 per cent higher than in January, 1946, and were 2½ times more than average prices from 1935 to 1939.

Prices paid by farmers, on the other hand, continued to rise in January. The index of prices paid on January 15 was 215 per cent of the 1910-14 average, up 2 points from December 15 and 38 points from a year earlier. The ratio of prices received to prices paid in January was 121, a decline of 2 per cent from December and November and 7 per cent from the high in October.

The probable narrowing of the gap between prices received and prices paid will be an important trend in 1947. Prices of many agricultural products appear to be in for declines, or at best for no further gains, while most costs are continuing upward.

During 1946 there were 7 per cent more farm workers than in 1945, according to the U. S. Department of Agriculture. The number of farm workers probably will be larger in 1947. Labor costs increased in 1946. Average wages of farm workers rose about 10 per cent during the year. In the geographic regions, parts of which contain this district, largest dollar increase in day wages in 1946 was registered in North Central states. In relative terms, however, farm wage rates rose more in East South Central states.

CASH FARM INCOME AND PRICES RECEIVED AND PAID BY FARMERS IN UNITED STATES
INDEX NUMBERS 1910-1914 = 100



Other costs, such as machinery, building materials, clothing, fertilizer, fuel, taxes, and insurance also have continued to increase. Feed prices declined 4 per cent in January from the preceding month. However, high protein feeds remained 50 per cent higher than a year earlier.

AGRICULTURE

CASH FARM INCOME

(In thousands of dollars)	Dec., 1946	Dec., '46 comp. with Dec., 1945	Dec., '46 comp. with Nov., 1946	Cumulative for 12 months 1946	1946 comp. with 1945	1946 comp. with 1944
Arkansas	$ 60,168	+121%	— 33%	$ 464,725	+48%	+37%
Illinois	138,613	+ 46	— 28	1,399,636	+20	+19
Indiana	82,523	+ 51	— 16	778,363	+15	+15
Kentucky	84,085	— 5	+192	417,330	— 3	+15
Mississippi	41,213	+ 20	— 35	361,253	+ 7	+ 5
Missouri	97,598	+ 80	— 15	840,227	+22	+18
Tennessee	69,075	+ 50	+ 7	423,578	+30	+29
Totals	$573,275	+ 43	— 12	$4,685,112	+19	+19

RECEIPTS AND SHIPMENTS AT NATIONAL STOCK YARDS

	Receipts Jan., 1947	Receipts Jan., '47 comp. with Jan., 1946	Receipts Jan., '47 comp. with Dec., 1946	Shipments Jan., 1947	Shipments Jan., '47 comp. with Jan., 1946	Shipments Jan., '47 comp. with Dec., 1946
Cattle and Calves	136,870	+ 35%	— 7%	47,876	— 24%	— 7%
Hogs	259,423	+ 18	+ 22	75,170	— 16	+ 30
Horses and Mules	5,456	+ 18	+ 54	5,456	+ 18	+ 54
Sheep	49,771	+ 3	+ 12	10,337	— 5	— 53
Totals	451,520	+ 21	+ 10	138,839	— 18	+ 17

INDUSTRY

CONSUMPTION OF ELECTRICITY

(K.W.H. in thous.)	No. of Customers*	Jan., 1947 K.W.H.	Dec., 1946 K.W.H.	Jan., 1946 K.W.H.	Jan., 1947 compared with Dec.,'46	Jan., 1947 compared with Jan.,'46
Evansville	40	8,132	7,352	5,490 R	+10.6%	+48.1%
Little Rock	35	3,644	3,633	3,479	+ 0.3	+ 4.7
Louisville	80	57,712	59,081 R	50,145 R	— 2.3	+15.1
Memphis	31	5,600	5,253	5,104	+ 6.6	+ 9.7
Pine Bluff	19	1,545	1,554	1,667	— 0.6	— 7.3
St. Louis	99	67,835	64,593 R	47,173 R	+ 5.0	+43.8
Totals	304	144,468	141,466 R	113,058 R	+ 2.1	+27.8

*Selected industrial customers.
R—Revised.

LOADS INTERCHANGED FOR 25 RAILROADS AT ST. LOUIS

Jan., '47	Dec., '46	Jan., '46	First Nine Days Feb., '47	First Nine Days Feb., '46	1 mo. '47	1 mo. '46
123,390	124,085	121,952	37,209	36,381	123,390	121,952

Source: Terminal Railroad Association of St. Louis.

COAL PRODUCTION

(In thousands of tons)	Jan., '47	Dec., '46	Jan., '46	Jan., '47, comp. with Dec., '46	Jan., '47, comp. with Jan., '46
Illinois	6,743	4,949	6,442	+36%	+ 5%
Indiana	2,706	1,875	2,344	+44	+15
Kentucky	7,461	5,256	6,225 R.	+42	+20
Other District States	1,818	1,307	1,555	+39	+17
Total	18,728	13,387	16,566 R.	+40	+13

R. — Revised.

TRADE

DEPARTMENT STORES

	Net Sales: Jan., 1947 comp. with Dec. 1946	Net Sales: Jan., 1947 comp. with Jan. 1946	Stocks on Hand: Jan. 31, 1947 comp. with Jan. 31 1946	Stock Turnover: Jan. 1, to Jan. 31 1947	Stock Turnover: Jan. 1, to Jan. 31 1946
Ft. Smith, Ark.	—54%	— 3%	+42%	.30	.48
Little Rock, Ark.	—49	+24	+34	.34	.44
Quincy, Ill.	—52	+19	+74	.29	.43
Evansville, Ind.	—51	+33	+67	.24	.31
Louisville, Ky.	—54	+15	+69	.33	.52
St. Louis Area[1]	—46	+23	+85	.29	.46
St. Louis, Mo.	—46	+21	+85	.29	.47
E. St. Louis, Ill.	—42	+133	...	...	...
Springfield, Mo.	—52	+11	+81	.28	.46
Memphis, Tenn.	—52	+13	+68	.32	.52
*All other cities	—52	+ 2	+62	.26	.42
8th F. R. District	—49	+19	+73	.30	.47

*El Dorado, Fayetteville, Pine Bluff, Ark.; Alton, Harrisburg, Mt. Vernon, Ill.; New Albany, Vincennes, Ind.; Danville, Hopkinsville, Mayfield, Paducah, Ky.; Chillicothe, Mo.; and Jackson, Tenn.

[1]Includes St. Louis, Mo., East St. Louis and Belleville, Ill.

Trading days: January, 1947—26; December, 1946—25; January, 1946—26.

Outstanding orders of reporting stores at the end of January, 1947, were 33 per cent less than on the corresponding date a year ago.

Percentage of accounts and notes receivable oustanding January 1, 1947, collected during January, by cities:

	Instalment Accounts	Excl. Instal. Accounts		Instalment Accounts	Excl. Instal. Accounts
Fort Smith	....%	55%	Quincy	39%	67%
Little Rock	26	58	St. Louis	36	65
Louisville	40	50	Other cities	32	56
Memphis	39	56	8th F. R. Dist.	36	60

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

	Jan., 1947	Dec., 1946	Nov., 1946	Jan., 1946
Sales (daily average), unadjusted[2]	228	463	371	192
Sales (daily average), seasonally adjusted[2]	278	303	294	234
Stocks, unadjusted[3]	250	246	293	138
Stocks, seasonally adjusted[3]	291	292	274	160

[2] Daily Average 1935-39=100.
[3] End of Month Average 1935-39=100.

SPECIALTY STORES

	Net Sales: Jan., 1947 comp. with Dec. 1946	Net Sales: Jan., 1947 comp. with Jan. 1946	Stocks on Hand: Jan. 31, 1947 comp. with Jan. 31 1946	Stock Turnover: Jan. 1, to Jan. 31 1947	Stock Turnover: Jan. 1, to Jan. 31 1946
Men's Furnishings	—57%	+19%	+165%	.27	.57
Boots and Shoes	—40	+15	+128	.35	.78

Percentage of accounts and notes receivable outstanding January 1, 1947, collected during January:

Men's Furnishings ......55% Boots and Shoes 58%

Trading days: January, 1947—26; December, 1946—25; January, 1946—26.

RETAIL FURNITURE STORES

	Net Sales: January, 1947 compared with Dec., 1946	Net Sales: January, 1947 compared with Jan., 1946	Inventories: Jan. 31, 1947 compared with Dec. 31, 1946	Inventories: Jan. 31, 1947 compared with Jan. 31, 1946	Ratio of Collections Jan., 1947	Ratio of Collections Jan., 1946
St. Louis Area[1]	—37%	+ 8%	+ 5%	+ 61%	51%	54%
St. Louis	—37	+ 7	+ 5	+ 61	50	53
Louisville Area[2]	—47	+ 6	+ 2	+ 77	28	33
Louisville	—47	+ 10	+ 1	+ 80	28	33
Memphis	—49	— 20	*	*	30	35
Little Rock	—23	+ 12	+15	+160	36	34
Springfield	—16	— 9	*	*	*	*
Fort Smith	—35	— 15	*	*	*	*
8th Dist. Total[3]	—36	+ 7	+ 5	+ 91	38	42

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

[1]Includes St. Louis, Missouri; and Alton, Illinois.

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

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

PERCENTAGE DISTRIBUTION OF FURNITURE SALES

	Jan., '47	Dec., '46	Jan., '46
Cash Sales	23%	27%	29%
Credit Sales	77	73	71
Total Sales	100	100	100

FARM WAGE RATES* BY GEOGRAPHIC DIVISION, JANUARY 1, 1947
(Index numbers — January average 1910-14 = 100)

Geographic Division	January, 1947 Dollars	January, 1947 Index	January, 1947, comp. with January, 1946 Dollars	January, 1947, comp. with January, 1946 Percent	January Average 1935-39
East North Central	$ 4.52	350	$+0.44	+ 14%	101
West North Central	4.68	322	+0.45	+ 10	78
East South Central	2.54	309	+0.33	+ 15	97
West South Central	3.41	357	+0.20	+ 9	98
United States	4.15	383	+0.39	+ 10	108

*Wages per day with board.
Source: Farm Labor, January, 1947, B.A.E.

Supplies of feed concentrates per animal unit in January were the highest on record, and are considered adequate for the remainder of the present feeding season. Disappearance currently is somewhat lower than last year due to the smaller number of livestock on farms. Because of increased spring farrowings, however, feed disappearance for the entire year is expected to be about the same as last year. Corn carryover may be considerably larger compared with the low level in 1946. On the other hand, carryovers of oats and barley are expected to be as low or lower than a year earlier.

December forecasts of the 1947 winter wheat crop indicated a harvest of 947 million bushels. Average weather conditions for the remainder of the season would give about 1,170 million bushels of winter and spring wheat combined, slightly above the all-time record production of last year. Severe weather in February with little snow coverage in some areas may tend to reduce this estimate.

TRADE

Dollar volume sales of Eighth District reporting retail outlets during January registered the usual seasonal decline from the December peak. December, 1946, sales volume, however, was at an all-time high, and January, 1947, sales (in dollars) were well ahead of those of January, 1946. In general, sales of durables showed much more pronounced increases over a year earlier than did nondurables sales. Some resistance to high prices and increasing discrimination in purchasing is resulting in a slackening in sales of nondurable goods. Stores are reacting to these conditions in traditional manner; many stores reinstituting clearance sales in January after an absence of such efforts during most of the war years. The lessened rate of gain in sales of "soft" lines reflects partly purchasing power going into increased sales of "hard" goods. As noted previously in this Review, one of the key questions for merchandisers in 1947 is the extent to which increasing supplies of durables will cut into nondurables sales volume. Inventories at reporting retail stores, in terms of dollar value, are running far ahead of those of the same date last year and reflect increased availability of almost all types of goods, but especially the hard lines.

During January dollar sales volume at Eighth District department stores was off 49 per cent from that of December, 1946, but was 19 per cent above the January, 1946, level. In some soft lines sales volume was virtually unchanged from a year earlier despite sharply increased supplies of goods—in some instances more than double those of the comparable period last year. High priced and luxury types of goods sold far less readily in January than during the last quarter of 1946. At the end of January, department store inventories, largely unchanged from the end of December, 1946, were 73 per cent greater than at the end of January, 1946.

Sales volume at women's apparel stores during January was 29 per cent less than in December and 2 per cent smaller than that of January, 1946. Regular women's apparel stores apparently are experiencing greater difficulty in maintaining dollar sales volume than the comparable divisions in department stores. In this area inventories in women's wear divisions of department stores at the end of January, 1947, were about two-thirds greater than those at the same time a year ago, while stocks at women's apparel stores were about one-third more than at the end of January, 1946. In both cases dollar value rather than unit volume of inventories is compared.

At men's wear stores January dollar sales volume was 57 per cent less than December, 1946, and 19 per cent greater in comparison with January, 1946. Continued scarcities of many types of men's wear, plus increasing consumer resistance to relatively low-quality, high-priced merchandise, constitute limiting factors in sales increases. While availability of goods is probably the more important factor in holding down sales gains, buyer resistance is not negligible. For example, slackened demand for white shirts is causing retailers' stocks to increase appreciably. Men's suits and coats are considerably easier to obtain, although some sizes and styles are not readily available. At the end of January inventories at men's wear stores were little changed from those on December 31, 1946, and 165 per cent more than for January 31, 1946.

Reporting furniture store sales volume declined 36 per cent from December and was but slightly higher than in January, 1946. This is in direct contrast to the comparable homefurnishing divisions in department stores where dollar sales were approximately half again as large as during Janu-

WHOLESALING

Lines of Commodities	Net Sales		Stocks
Data furnished by Bureau of Census, U. S. Dept. of Commerce.*	Jan., 1947 compared with Dec., '46	Jan., '46	Jan. 31, 1947 compared with Jan. 31, 1946
Automotive Supplies	-0- %	+ 13%	........%
Drugs and Chemicals	+ 3	+ 23	....
Dry Goods	— 18	+ 58	+ 85
Groceries	+ 12	+ 11	+ 34
Hardware	— 15	+ 43	+ 32
Plumbing Supplies	+ 13	+ 84	....
Tobacco and its Products	— 6	+ 21	....
Miscellaneous	+ 21	+ 34	+ 32
Total all lines**	— 7	+ 32	+ 55

*Preliminary.
**Includes certain lines not listed above.

CONSTRUCTION

BUILDING PERMITS
Month of January

(Cost in thousands)	New Construction Number 1947	1946	Cost 1947	1946	Repairs, etc. Number 1947	1946	Cost 1947	1946
Evansville	51	21	$ 139	$ 121	55	79	$ 43	$ 63
Little Rock	92	73	596	438	127	149	63	102
Louisville	151	86	796	1,024	42	47	35	52
Memphis	552	422	1,188	1,789	135	212	99	158
St. Louis	175	184	1,130	2,926	191	209	496	883
Jan. Totals	1,021	786	3,849	6,298	550	696	736	1,258
Dec. Totals	658	767	2,134	7,681	420	476	507	703

BANKING

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

(In thousands of dollars)	Feb. 19, 1947	Change from Jan. 15, 1947	Change from Feb. 20, 1946
Industrial advances under Sec. 13b....$	....	....	....
Other advances and rediscounts	14,758	+ 4,800	+ 3,398
U. S. securities	1,109,640	— 23,329	+ 21,769
Total earning assets	1,124,398	— 18,529	+ 25,167
Total reserves	639,214	— 1,502	+ 32,648
Total deposits	671,381	— 7,203	+ 9,994
F. R. notes in circulation	1,094,373	— 12,398	+ 47,410
Industrial commitments under Sec. 13b	4,225	-0-	+ 4,225

PRINCIPAL RESOURCE AND LIABILITY ITEMS
OF REPORTING MEMBER BANKS

(In thousands of dollars)	Feb. 19, 1947	Change from Jan. 22, 1947	Change from Feb. 20, 1946
Total loans and investments	$1,860,058	— 22,737	—360,364
Commercial, industrial, and agricultural loans*	435,776	— 120	+ 87,843
Loans to brokers and dealers in securities	9,534	+ 2,985	— 1,068
Other loans to purchase and carry securities	41,103	— 3,333	— 38,189
Real estate loans	103,289	+ 972	+ 32,429
Loans to banks	1,176	+ 173	— 2,421
Other loans	136,355	— 1,588	+ 37,091
Total loans	727,233	— 911	+115,685
Treasury bills	6,143	— 6,775	— 17,055
Certificates of indebtedness	103,217	— 4,750	—210,100
Treasury notes	142,111	+ 9,432	—163,639
U. S. bonds	746,213	— 20,591	— 85,991
Obligations guaranteed by U. S. Government	366	-0-	+ 4
Other securities	134,775	+ 858	+ 732
Total investments	1,132,825	— 21,826	—476,049
Balances with domestic banks	99,121	— 10,707	— 12,173
Demand deposits—adjusted**	1,133,767	— 22,964	+ 59,347
Time deposits	378,574	+ 2,384	+ 31,269
U. S. Government deposits	72,773	+ 16,103	—423,683
Interbank deposits	590,558	— 38,744	— 56,179
Borrowings	8,300	— 600	— 1,700

*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.

ary, 1946. The department store experience reflects, much more than does that of furniture stores, substantial gains in sales of household appliances. These are not usually handled in volume by regular furniture stores. Both types of outlets should continue to hold high sales volume as more housing becomes available. Inventories (in terms of dollar value) of retail furniture outlets, while only 5 per cent more than on December 31, 1946, were 91 per cent greater than on January 31, 1946.

BANKING AND FINANCE

Total loans of district weekly reporting banks were off $1 million for the month but $116 million above the corresponding period last year. The relatively small monthly change in the loan total does not reflect the diverse changes which occurred in the different loan categories. Loans to others than brokers and dealers to purchase or carry securities declined $3 million for the month and were $38 million below the total a year ago. Commercial, industrial and agricultural loans showed little change during the past four weeks but were $88 million above the same period last year. Real estate loans are continuing to increase. The gain in real estate loans for the month was $1 million, the same amount as during the corresponding period last year. The increase during the last twelve months totaled $32 million, a gain of 45 per cent. Other loans, which represent largely loans to consumers, decreased $2 million in contrast to no change for the same period last year. The increase in "other" loans for the year amounted to $37 million, or 37 per cent.

Total investments of weekly reporting member banks declined another $22 million in the last four weeks, continuing the decrease which began with the Treasury's cash redemption program inaugurated in March, 1946. Cash redemption of $1 billion of Treasury certificates of indebtedness maturing February 1 resulted in a decrease of $5 million in district reporting bank holdings of certificates. Government bond holdings also decreased $21 million, most of the decline being at reporting banks in St. Louis. Other securities increased $1 million, most of the change also being at St. Louis banks. The decrease in investments plus the slight decline in loans resulted in a $23 million decrease in earning assets.

Demand deposits of individuals and businesses on February 19 were $1,211 million, off $37 million for the month but $88 million above a year ago. The decrease for the month reflects the usual drawing down of balances to meet first of the year income tax payments. Time deposits were up $2 million for the month and $31 million above a year ago. The rate of increase, however, for both the last month and the last year was only about one-half that of the same month last year and in the preceding year. Government deposits increased $16 million as additions from tax receipts more than offset withdrawals to meet Treasury expenditures.

DEBITS TO DEPOSIT ACCOUNTS

(In thousands of dollars)	Jan., 1947	Dec., 1946	Jan., 1946	Jan., '47 comp. with Dec., '46	Jan., '46
El Dorado, Ark.	$ 16,898	$ 18,930	$ 12,674	—11%	+33%
Fort Smith, Ark.	34,506	35,323	30,233	— 2	+14
Helena, Ark.	7,729	10,498	6,625	—26	+17
Little Rock, Ark.	106,320	113,208	86,196	— 6	+23
Pine Bluff, Ark.	26,769	29,348	19,257	— 9	+39
Texarkana, Ark.-Tex.	9,705	10,156	9,438	— 4	+ 3
Alton, Ill.	19,414	21,808	16,666	—11	+16
E.St.L.-Nat.S.Y.,Ill.	108,623	103,386	73,350	+ 5	+48
Quincy, Ill.	24,936	26,521	19,551	— 6	+28
Evansville, Ind.	90,123	93,966	77,394	— 4	+16
Louisville, Ky.	471,089	480,300	404,574	— 2	+16
Owensboro, Ky.	30,191	28,936	26,149	+ 4	+15
Paducah, Ky.	13,633	15,498	10,880	—12	+25
Greenville, Miss.	16,354	18,952	12,355	—14	+32
Cape Girardeau, Mo.	9,742	10,015	7,824	— 3	+25
Hannibal, Mo.	7,568	7,374	5,587	+ 3	+35
Jefferson City, Mo.	51,187	35,769	43,318	+43	+18
St. Louis, Mo.	1,322,736	1,500,269	1,066,747	—12	+24
Sedalia, Mo.	9,558	9,707	7,696	— 2	+24
Springfield, Mo.	49,359	52,435	41,093	— 6	+20
Jackson, Tenn.	15,834	17,876	12,490	—11	+27
Memphis, Tenn.	468,944	529,411	359,418	—11	+30
Totals	2,911,218	3,169,686	2,349,515	— 8	+24

PRICES

WHOLESALE PRICES IN THE UNITED STATES

Bureau of Labor Statistics (1926=100)	Jan. '47	Dec., '46	Jan. '46	Jan., '47 Comp. with Dec., '46	Jan., '46
All Commodities	141.5	140.9	107.1	+ 0.4%	+32.1%
Farm Products	165.0	168.1	129.9	— 1.8	+27.0
Foods	156.2	160.1	107.3	— 2.4	+45.6
Other	127.6	124.7	100.8	+ 2.3	+26.6

CONSUMERS' PRICE INDEX

Bureau of Labor Statistics (1935-39=100)	Jan. 15, 1947	Dec. 15, 1946	Jan. 15, 1946	Jan. 15, 1947 Comp. with Dec. 15, 1946	Jan. 15, 1946
United States	153.0	153.3	129.9	— 0.2%	+17.8%
St. Louis	151.0	151.2	128.7R	— 0.1	+17.3
Memphis	*	156.3	*	*	*

*Not Available
R—Revised

RETAIL FOOD PRICES

Bureau of Labor Statistics (1935-39=100)	Jan. 15, 1947	Dec. 15, 1946	Jan. 15, 1946	Jan. 15, 1947 Comp. with Dec. 15, 1946	Jan. 15, 1946
U. S. (51 cities)	183.8	185.9	141.0	— 1.1%	+30.4%
St. Louis	187.4	189.3	144.3	— 1.0	+29.9
Little Rock	182.4	184.8	140.8	— 1.3	+29.5
Louisville	177.7	178.6	134.2	— 0.5	+32.4
Memphis	200.2	206.0	151.2	— 2.8	+32.4