



**A**MERICANS seem to have an insatiable desire for the material things in life—for more and better cars, television sets, washing machines, air conditioners and so on in an ever-growing list. The average individual today consumes roughly twice the volume of goods and services his counterpart used 50 years ago. Of course, this rapid rise would not have been possible without our abundant resources, and increasingly efficient production techniques. Certainly, the wider distribution of income helped broaden markets, allowing mass production at lower unit costs. But the desire to improve our standards of living has been an impelling force in our economic progress.

*Consumer spending has been an expanding force in the current economic cycle.*

It is not surprising, then, that the consumption of goods and services by individuals has been one of the main generating forces in the current boom in business activity. Consumer outlays, as measured by the gross national product on an annual rate basis, rose \$15 billion from the second quarter of 1954, when economic activity was

at the low ebb of the recent recession, to the second quarter of 1955. Over the same period, total output advanced \$27 billion.

Not only is consumer spending a principal element of strength in today's economic activity, but it was also one of the mainstays helping to moderate the 1953-1954 recession. The gross national product on an annual rate basis declined \$12 billion from the peak in the second quarter of 1953 to the trough a year later. Personal consumption expenditures, however, rose \$4 billion in the same period, despite the interruption of a \$2 billion downturn in the fourth quarter of 1953. Outlays for personal services accounted for all of this increase, as expenditures on goods declined slightly.

The recession of 1953-1954 developed from the reduction of national security outlays and the almost simultaneous decline in the demand for business inventories. Requirements for business inventories were reduced by the drop in defense output and by the high level of stocks in relation to prospective sales of civilian items. As total demand fell, unemployment rose. But aggregate personal income was nearly maintained as increased unemployment insurance, dividend and interest payments partially offset lower wage and salary receipts. Disposable income actually increased as taxes were cut. With disposable income rising about as fast as the population, consumer confidence dipped only slightly. And with retail sales off only slightly, extensive reduction of business inventories was not found necessary.

Thus, the expansion of personal consumption expenditures helped take up some of the slack in resource utilization created by reduced military purchases and inventory adjustment. In a sense, the recession and subsequent recovery reflect the time required by our free enterprise economy to adjust to changing demands.

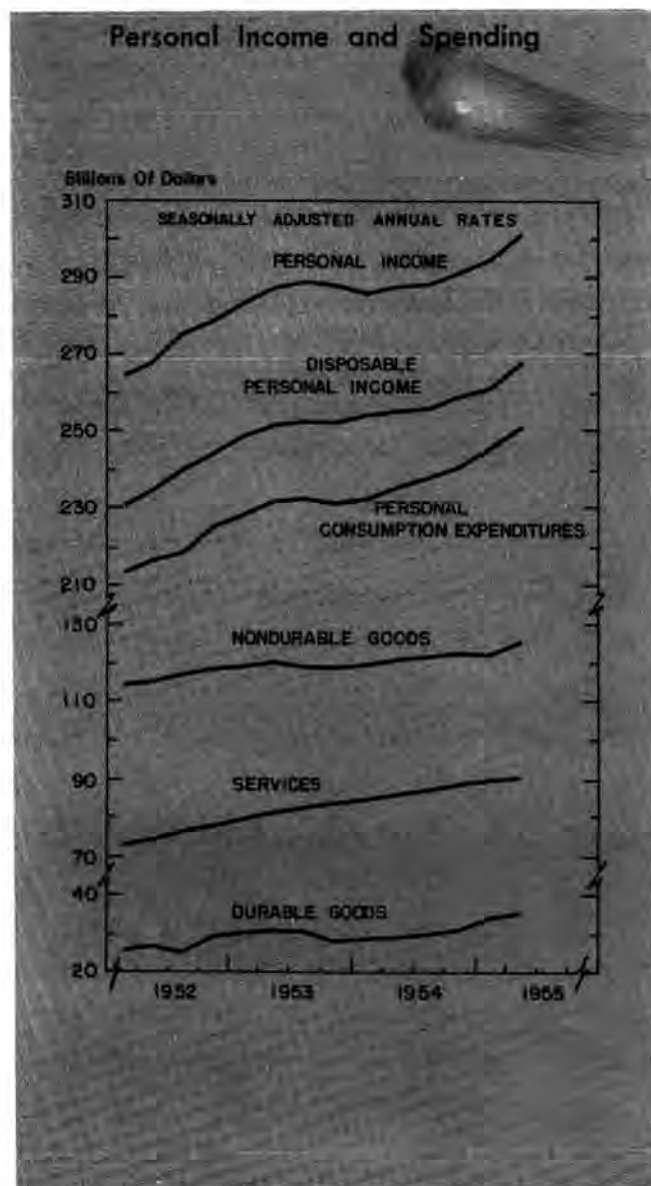
*Much of the recent increase in spending was for automobiles and household durable goods.*

In the current upswing of business activity, purchases of durable goods have accounted for the largest part of the increase in personal consumption expenditures. Spending for durable goods rose \$6.1 billion or 21 per cent from the second quarter of 1954 to the corresponding quarter this year. In contrast, outlays for nondurable goods rose \$4.9 billion or only 4 per cent and service payments grew by \$4.5 billion or 5 per cent.

Automobile purchases jumped spectacularly in November and December 1954 when the new models were introduced, and remained at a high level through August. Retail deliveries for the first eight months this year were up 38 per cent from the corresponding period of 1954. Outlays for furniture and household equipment advanced 11 per cent from the second quarter of 1954 to a year later.

*The growth of consumption stemmed from rising income,...*

The strength of consumer demand since mid-1954 has been derived in large part from rising personal income. Receipts in the second quarter, on an annual rate basis, rose \$14 billion from the corresponding period a year



earlier, to reach \$300 billion. Increased wages and salaries accounted for nearly all of the gain in personal income, resulting from the advances in employment, hourly earnings and hours worked. Disposable income rose at an annual rate of \$13 billion in the year ended in the second quarter of 1955, as personal tax payments also increased, absorbing some of the improvement in total personal income.

*... a lower rate of saving, ...*

To some degree, the rate of personal saving reflects the confidence which people have in the future. When the employment outlook darkens, families are prone to increase their rate of savings as a hedge against the possibility of lower future income. And when the prospect for future income brightens, the need for liquid reserves to cover future contingencies appears to decline.

With the virtual arrest of the decline in business activity in the first half of 1954 and good prospects for recovery in the last half, consumers' confidence increased. Their willingness to spend outpaced the increase in disposable income. As a result, personal saving during the last half of 1954 and the first half of 1955 declined to \$16 billion from \$20 billion in the preceding four quarters.

*... and an increased use of credit.*

The expansion of consumer purchases, which implemented the recovery in business activity, was also facilitated by readily available credit on more liberal terms. Short- and intermediate-term consumer credit outstanding at the end of July reached a record \$32.9 billion, an increase of \$4.2 billion or 13 per cent in twelve months. In contrast the increase in the year ended July 1954 was only \$0.9 billion. As a result of the rapid upsurge in credit extensions, consumer short-term debt is at a peak also in relation to disposable income, equivalent to 12 per cent of this income. Most of the increase in the past year has been in instalment credit, which rose about \$3.6 billion, and by far the largest and fastest rising part of the expansion of instalment credit has been for the purchase of automobiles.

Easier terms encouraged the use of credit for purchase of consumer durables. The average duration of instalment loans is presently at a record length and down payments are also at or below previous lows.

Despite the rapid increase in consumer credit in the past year, delinquencies on personal, home appliance and automobile loans made by banks were lower as of July 30, 1955, than a year earlier.

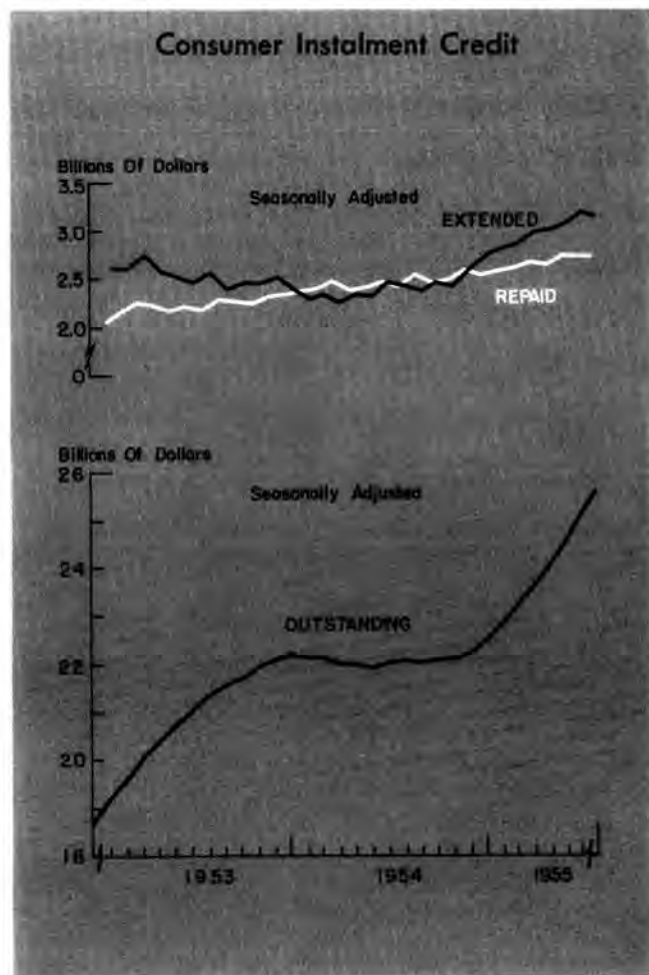
*Retail sales in the district also gained.*

Economic activity in the Eighth District has improved at about the same rate as in the nation since mid-1954. District employment has recovered and, in recent months, forged ahead of year earlier levels. Personal incomes advanced as a result of the larger number at work, longer hours and higher wage rates. As in the nation, district consumers have apparently reduced their rate of saving and have stepped up their use of credit. As a result, in the district's retail stores, sales have been rung up at a

faster pace this year than last. Tentative figures indicate that retail sales of organizations operating fewer than 11 stores in the Eighth District in the first seven months of 1955 rose substantially from the corresponding period last year. The rate of gain was somewhat greater than for the nation, where total retail sales averaged 8 per cent larger than a year ago.

The pattern within the district was not uniform, however. Retail sales in the St. Louis metropolitan area in the January-July period increased 10 per cent from the same months last year. In the Paducah, Kentucky, area, on the other hand, sales dropped 8 per cent, reflecting the drop in employment in that area with the completion of construction of the AEC and related electric power plants. In the Branson, Missouri, area, where Table Rock dam is now under construction, retail sales in the first seven months advanced 15 per cent from the same period last year.

Sales of automobile dealers increased more rapidly than for other major kinds of business. Registrations of passenger cars in St. Louis city and county totaled 38,000 in the first seven months of 1955, 45 per cent larger than in the corresponding period last year. In Louisville (Jefferson County) registrations in the first eight months rose to 17,800, up 36 per cent over a year earlier. And in Memphis, sales tax collections in the year ended June 30, 1955, indicated a sales increase of 29 per cent over the preceding year for motor vehicle dealers.





Sales of lumber, building and hardware stores in the district were about one-third larger in the first seven months of 1955 than a year earlier. Dollar volume of gasoline service stations increased about one-fifth. Department stores in the district rang up 6 per cent greater volume in the first eight months than in the same period of 1954 and furniture stores sold 8 per cent more. Apparel stores apparently fared about as well in the first seven months this year as last year.

**Department store sales reflected the emphasis on durable goods purchases, . . .**

In district department stores, sales of homefurnishings in the January-July period gained 15 per cent from the year earlier period while dollar sales of all other departments were only 4 per cent more. This trend reflected the stronger demand this year for household durable goods than for wearing apparel and the special low price policy adopted by St. Louis stores on certain household goods in order to meet "discount house" competition. But even in Louisville and Memphis, where discount houses are relatively less important, homefurnishing sales also outpaced the rest of the departments. In Little Rock, however, homefurnishing sales in the first seven months of 1955 only equaled the year earlier period while other departments sold 3 per cent more. Sales gained 15 per cent in the homefurnishing departments of district department stores, compared with 11 per cent in the nation, reflecting in part the relatively fewer cases of special price promotions in the nation than in the district.

In part, the larger sales gains in hard goods than soft goods reflect the greater decline in prices of the former. In July 1955, prices of homefurnishings in the nation's department stores were 2 per cent less than a year earlier. On the other hand, prices of all other goods eased less than 1 per cent in the year ended July 1955. Prices of radios and television sets dropped 9 per cent, the largest decline for any group. Major household appliance prices fell 6 per cent, while prices on furniture and bedding were

off 2 per cent. Prices in departments other than homefurnishings varied in a narrow range relative to July 1954, ranging from a plus 2 per cent for toilet articles and drugs to a 3 per cent decline for women's and girls' hosiery.

**. . . and a trend toward higher priced merchandise.**

With incomes rising, consumers have tended this year to purchase higher priced merchandise more readily than lower priced goods. This trend was apparent both in an analysis of roughly comparable departments and in the larger sales gains recorded so far this year in the main store. For the district, main store sales in the first seven months of 1955 increased 6 per cent over the same period last year, while basement store sales gained only 1 per cent. The same tendency was apparent in the nation; main store sales rose 5 per cent compared with a basement store sales increase of 2 per cent.

**PER CENT CHANGE IN SALES FOR FIRST SEVEN MONTHS OF 1955 FROM CORRESPONDING PERIOD OF 1954**

**EIGHTH DISTRICT DEPARTMENT STORES**

	Basement Store	Main Store
Total	+1	+6
Piece goods and household textiles	+1	+4
Women's & misses' ready-to-wear apparel and accessories	-1	+1
Men's and boys' wear	+4	+5
Homefurnishings	+0	+15

**In St. Louis, some department stores increased sales of certain goods by reducing prices to meet "discount house" competition.**

Sales of certain items at some St. Louis department stores gained spectacularly in the first seven months of this year compared with a year earlier, outpacing the sales in other district cities and the nation. In large part, these greater gains in St. Louis can be attributed to the policy established in August 1954 by three large firms of reducing prices to meet "discount house" competition.



Missouri has no "fair trade" law, which would allow manufacturers to establish minimum retail prices for their products. As a result, "discount houses" can offer merchandise at prices lower than those suggested by the manufacturer or established by normal mark-ons. Lower prices have been offered by "discount houses" on trade marked products with large volume potential, such as major household appliances, certain housewares, radio and television sets, silverware, cameras, electric razors and electric trains (in the Christmas season).

The effect of the lower price policy on sales since August 1954 of certain departments in St. Louis department stores can be seen by comparing them with sales in the United States where retail price maintenance under "fair trade" laws is still widespread. In St. Louis departments following a normal price policy, such as women's and misses' ready-to-wear apparel and accessories and men's and boys' wear, sales have paralleled the United States pattern. Housewares prices have been reduced in St. Louis department stores to meet competition, and sales in the first seven months of 1955 advanced 21 per cent over the year earlier period compared with a 12 per cent gain in the United States. Major household appliances, such as refrigerators, air conditioners, washing machines and dryers, have been a focal point in the price competition. The growth in sales of these items in St. Louis exceeded twice the 28 per cent gain for the nation during the first seven months of 1955 over a year earlier. So far this year, sales in St. Louis of radio, phonograph, television and records rose 47 per cent over the corresponding 1953 period in contrast with a 3 per cent gain in the nation.<sup>1</sup> Silverware and clocks sold 40 per cent faster in St. Louis during the first seven months of 1955 than a year earlier, but only 14 per cent better in the nation. Camera sales at big stores in the St. Louis area jumped 72 per cent over a year earlier, probably much greater than nationally.

<sup>1</sup>One of the big stores in St. Louis purchased the radio and television stock of a firm going out of business in early 1954. Comparison of 1955 with 1953 data in this category avoids the influence of the special promotion resulting from this purchase.

These data would indicate that St. Louis department stores have increased their share of the total retail sales of products now competitively priced. The policy of meeting competitive prices has been in effect constantly since August 1954, and there is no sign of any change in present policies by the three department stores. While those departments with the special price policy are reported to add nothing directly to the store's profits, other factors impel the firms to continue the policy. Some contribution to overhead costs is said to be made by these departments. Also, as a result of larger sales of durables, the firms have realized increased interest payments on the instalment paper, which they carry themselves. In addition, customers attracted to their stores by the lower price policy have purchased goods in other departments.

*To increase their share of the market, branches have been established by department stores in larger metropolitan areas.*

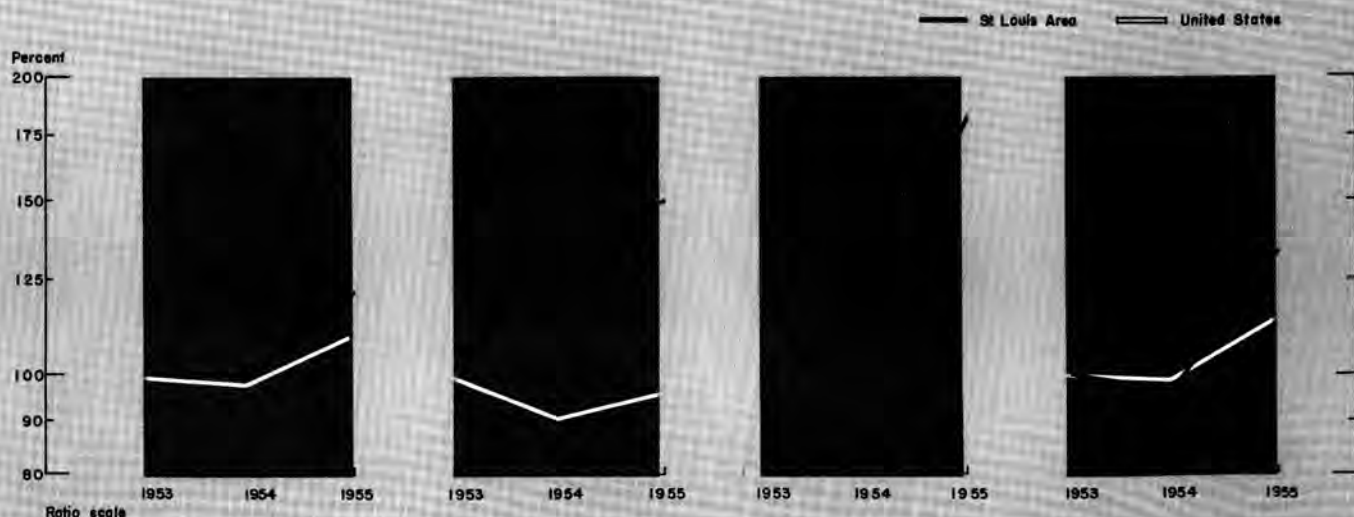
With the rapid growth of homes in the suburbs, shopping centers were established in those areas. Existing department stores, with downtown locations, were faced with the loss of business to the specialty, furniture and appliance stores established in the outlying areas. To counteract this tendency, department stores have opened branches with parking facilities in suburban or outlying locations, added parking facilities and enlarged their downtown facilities.

More branches have been established in the St. Louis area than in any other metropolitan area in this district. Five branch department stores have been built there since 1945 and others are either under construction or being planned. Downtown locations were expanded and parking garages provided. In Memphis one branch store has been built, and the downtown store of another firm enlarged and a large garage provided. In addition, a national chain has another store under construction in an outlying location. In Louisville a recently built branch store is being enlarged and two new branches are being built.

*(continued on page 119)*

## for the United States and the St. Louis Area

First Seven Months 1953=100



# Survey

## OF CURRENT CONDITIONS

**B**USINESS in the Eighth Federal Reserve District apparently maintained its fast pace during September. Reflecting increases in the output of goods and favorable labor market reports, consumer spending in district department stores expanded and the demand for bank loans was brisk, resulting in some increase in interest rates. In the agricultural sector, price declines continued to reduce district farm receipts.

Nationally, too, the latest indicators showed similar strength in over-all business activity. Reports for the week ended September 24 showed steel ingot production at nearly 96 per cent of capacity, the highest since June. Carloadings were the highest in nearly two years, paperboard production was at 104 per cent of rated capacity, soft coal was at its greatest weekly output in nearly three years.

Adding to this general picture of prosperity, a number of current reports suggested continued strength throughout the fall period. Businessmen were planning to spend at a seasonally adjusted rate of \$29.7 million for plant and equipment during the fourth quarter, according to a recent survey by the Securities and Exchange Commission and the Commerce Department. This would be an all-time high, exceeding the third quarter rate by almost a billion dollars. Paper and paperboard production, a basic business indicator since paper serves most other businesses, was expected by the Department of Commerce to establish a new annual production record in 1955 that could easily be more than 2 million tons above the 26.6 million tons produced in 1954. Chemical output was expected to top its previous peak year by some 13 per cent and rubber consumption, its previous peak year by more than 7 per cent, according to Commerce Department estimates.

Steel in almost every form was in strong demand. Non-ferrous metals, generally, were in short supply. Machine tool makers reported an increased backlog of orders for production equipment from farm machinery makers, appliance and television producers, auto manufacturers, airplane builders and others.

In September, a survey of business firms throughout the nation by the Journal of Commerce showed that buying for inventory is expected to continue on a conservative basis.

### *Output*

Steel ingot production in the district was carried on at 97 per cent of rated capacity during September, up sharply from the 63 per cent level of a year ago. In the early part of the month lumber production of pine and hardwoods was 10 and 7 per cent above a year ago, respectively. And crude oil production rose 3 per cent to average 20 per cent above a year ago. Auto assembly lines were reported to be making fast changeovers to new models.

### *Labor Markets and Wage Rates*

Current reports in the principal labor markets of the district are generally favorable. Several major strikes were settled and work resumed during the month. Insured unemployment in the seven district states during the second week in September was less than a month earlier. In the first week in September, claims were at their lowest weekly level since October 1953.

Hourly wage increases were granted during September in additional automobile factories, in major rubber manufacturing and farm machinery plants, in the glass container industry and to bituminous coal miners—all important activities in district nonagricultural employment.

### *Consumer Spending*

Consumer buying in department stores of the district has continued at a high level. Department store sales in the four weeks ended September 24 rose 7 per cent over the comparable weeks in 1954. Results of last-of-model clearances by automobile dealers in the St. Louis area are reported generally to be satisfactory.

On the other hand, construction contract awards in the residential field, according to the latest F. W. Dodge reports for its St. Louis territory (constituting a sizable portion of the district), declined in the first part of September below the corresponding period in September a year ago.

### *Industrial and Consumer Durable Goods Prices*

The level of business demand in the nation and other factors have brought about increases in the

wholesale prices of industrial commodities. In September, averages of these prices rose to a level 3 per cent above a year earlier and above the record high reached in 1951. Moreover, the price increases that have been occurring in basic products—steel, coal, lead and so on—have spread to certain finished consumer durable products, such as the first 1956-model automobiles introduced.

### *Credit Demand and Rates*

The strong demand for loans at district banks also reflected the continued fast pace of business. The amount of credit outstanding to borrowers here apparently expanded during the month. While total loans at district weekly reporting banks rose less than seasonally during the four weeks ended September 21, the sale of sizable amounts of paper (both business and real estate loans) to other institutions more than accounted for the below average expansion. The growth in loans developed despite a somewhat closer screening of loan applications and the higher cost of funds to borrowers. The average interest rate charged on short-term business loans made during the first half of September at four reporting St. Louis banks rose to 3.65 per cent from 3.39 per cent charged by these banks in the first half of June.

The credit tightness has also extended to the mortgage market. Since the beginning of 1955 the national mortgage market has tightened almost continu-

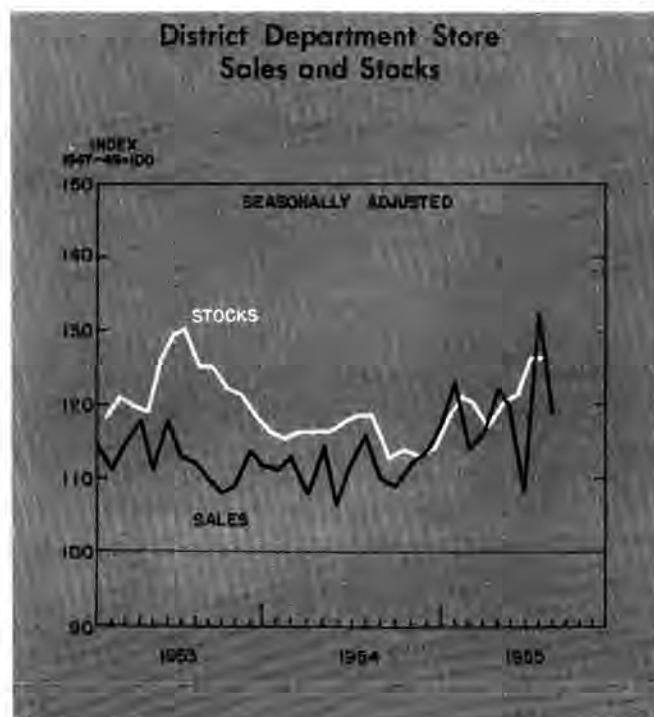
ously. In late August and early September the gradual increase in discounts became pronounced, and many district respondents reported that Federally-underwritten mortgages could be obtained only at discounts of two or three points. The increasing yields required for mortgages reflected falling prices of fixed-income securities generally. In recent weeks the mortgage market has also been affected by the administrative order from the Federal Home Loan Bank Board to the eleven district banks to limit credit extensions to member savings and loan associations.

### *Agricultural Output and Prices*

As noted, the agricultural sector of the district has not shared in the current fast pace of the rest of the economy. While the USDA September 1 estimates of crop yields per acre for district states averaged about 15 per cent higher than last season, price reductions for major district farm products during the current year will net out to lower cash farm receipts for district farmers. Prices paid for district farm products, after displaying temporary stability and strength during the latter part of August and the first week of September, declined further during the latter part of the month. On September 23, major district farm product prices averaged 1 per cent below their level four weeks ago, largely as a result of a decline of 14 per cent in broiler prices.

## Some Recent Developments in Consumer Spending and District Retailing

(continued from page 117)



Whether these steps have or will offset the decline in the department stores' share of the market in their areas cannot be ascertained until the results of the 1954 census of business are available. But in the nation, department store sales increased at a less rapid rate from 1946 to 1954 than did sales of general merchandise, apparel, furniture and appliance stores, although they have virtually kept pace since 1950.

*With prospects bright for the remainder of the year, consumer purchases are almost sure to mark up a new record in 1955.*

Employment and personal income are expected to remain at high levels during the remainder of the year. With 1955 sales to date of most retailers already larger than a year earlier and prospects favorable, retail sales are almost sure to mark up a new record in 1955. Department store executives in this district are forecasting sizable sales gains for the final quarter of the year over the year earlier period. Automobile dealers are hopeful that consumers will purchase the 1956 models now coming to market as readily as they have bought new cars so far this year.

WILLIAM H. KESTER



# The District Record

## Industry

### VARIOUS INDICATORS OF INDUSTRIAL ACTIVITY

	Aug. 1955	Aug. 1955* compared with July 1955	Aug. 1954
Industrial Use of Electric Power (thousands of KWH per working day, selected industrial firms in 6 district cities)	13,165	-14%	+14%
Steel Ingot Rate, St. Louis area (operating rate, per cent of capacity)	100	+4	+100
Coal Production Index—8th Dist. (Seasonally adjusted, 1947-49=100)	86 p	+2	+15
Crude Oil Production—8th Dist. (Daily average in thousands of bbls.)	383.3	+1	+19
Freight Interchanges at RRs—St. Louis. (Thousands of cars—25 railroads—Terminal R. R. Assn.)	107.8	+1	+16
Livestock Slaughter—St. Louis area. (Thousands of head—weekly average)	84.7	+11	+7
Lumber Production—S. Pine (Average weekly production—thousands of bd. ft.)	206.1	+3	+15
Lumber Production—S. Hardwoods. (Operating rate, per cent of capacity)	90	+7	+3

\* Percentage change figures for the steel ingot rate, Southern hardwood rate, and the coal production index, show the relative per cent change in production, not the drop in index points or in percents of capacity.  
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## Banking

### BANK DEBITS<sup>1</sup>

	Aug. 1955 (In millions)	Aug. 1955 compared with July 1955	Aug. 1954
Six Largest Centers:			
East St. Louis—National Stock Yards, Ill.	\$ 130.8	+15%	+4%
Evansville, Ind.	175.2	+1	+17
Little Rock, Ark.	176.9	+8	+12
Louisville, Ky.	871.5	+13	+16
Memphis, Tenn.	669.4	+4	+14
St. Louis, Mo.	2,202.4	+5	+18
Total—Six Largest Centers	\$4,226.2	+6%	+16%
Other Reporting Centers:			
Alton, Ill.	\$ 38.3	+1%	+14%
Cape Girardeau, Mo.	15.2	+1	+14
El Dorado, Ark.	27.3	+5	+5
Fort Smith, Ark.	53.5	+4	+1
Greenville, Miss.	25.8	+0	+22
Hannibal, Mo.	10.4	+2	+20
Helena, Ark.	7.1	+1	+4
Jackson, Tenn.	24.0	+13	+13
Jefferson City, Mo.	69.3	+4	+23
Owensboro, Ky.	44.6	+5	+20
Paducah, Ky.	26.9	+0	+16
Pine Bluff, Ark.	30.4	+2	+6
Quincy, Ill.	39.4	+5	+13
Sedalia, Mo.	16.2	+4	+30
Springfield, Mo.	84.4	+4	+15
Texarkana, Ark.	20.4	+0	+22
Total—Other Centers	\$ 533.2	+1%	+12%
Total—22 Centers	\$4,759.4	+6%	+16%

### INDEX OF BANK DEBITS—22 Centers Seasonally Adjusted (1947-1949=100)

	1955	1954
Aug.	159.0	151.9
July	151.9	137.6

<sup>1</sup> Debits to demand deposit accounts of individuals, partnerships and corporations and states and political subdivisions.

## Agriculture

### CASH FARM INCOME

	July 1955	July '55 from July '54	1955 compared with 1953
(In thousands of dollars)			
Arkansas	\$ 20,917	-0%	+4%
Illinois	150,154	-7	-11
Indiana	93,041	-10	-9
Kentucky	26,981	-4	-14
Mississippi	16,992	+10	-28
Missouri	95,365	+7	-7
Tennessee	23,574	-1	-12
7 States	\$427,024	-3	-11
8th District	\$178,252	+1	-6

Source: State data from USDA preliminary estimates unless otherwise indicated.

## Construction

### INDEX OF CONSTRUCTION CONTRACTS AWARDED EIGHTH FEDERAL RESERVE DISTRICT\* (1947-1949=100)

	July 1955	June 1955	July 1954
Unadjusted			
Total	207.7 p	217.6	193.8
Residential	290.9 p	298.0	249.1
All Other	169.0 p	180.3	168.1
Seasonally adjusted			
Total	164.3 p	183.4	152.5
Residential	248.6 p	254.7	212.9
All Other	125.2 p	150.3	124.5

\* Based on three-month moving average (centered on mid-month) of value of awards, as reported by F. W. Dodge Corporation.

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### ASSETS AND LIABILITIES EIGHTH DISTRICT MEMBER BANKS

	Weekly Reporting Banks		All Member Banks	
(In Millions of Dollars)	Sept. 21, 1955	Aug. 24, 1955	Aug. 31, 1955	July 27, 1955
Assets		Change from		Change from
Loans	\$1,501	\$+19	\$2,375	\$+36
Business and Agricultural	723	+8		
Security	47	-0		
Real Estate	301	+3		
Other (largely consumer)	451	+8		
U. S. Government Securities	983	+15	1,947	-54
Other Securities	243	-5	493	-2
Loans to Banks	23	-2		
Cash Assets	882	+76	1,347	-42
Other Assets	43	-0	67	-0
Total Assets	\$3,675	\$+103	\$6,229	\$-62
Liabilities and Capital				
Demand Deposits of Banks	\$ 682	\$+72	\$ 656	\$-13
Other Demand Deposits	2,090	+26	3,787	-57
Time Deposits	562	-0	1,218	+5
Borrowings and Other Liabilities	77	+4	112	+2
Total Capital Accounts	264	+1	456	+1
Total Liabilities and Capital	\$3,675	\$+103	\$6,229	\$-62

<sup>1</sup> For weekly reporting banks, loans are adjusted to exclude loans to banks; the total is reported net; breakdowns are reported gross. For all member banks loans are reported net and include loans to banks; breakdown of these loans is not available.

## Trade

### DEPARTMENT STORES

	Net Sales			Stocks on Hand	Percentage of Accounts		
	Aug. 1955 compared with July '55	Aug. '55 compared with July '54	8 mos. '55 to same period '54	Aug. 31, '55 comp. with Aug. 31, '54	Stocks-Sales Ratio	and Notes Receivable Outstanding Aug. 1, '55, collected during August.	Excl. Installment Accounts
8th F.R. District Total	+14%	+12%	+6%	+11%	2.84	2.87	17%
Fort Smith Area, Ark.	+16	+26	+12	+13	2.86	3.17	43
Little Rock Area, Ark.	+16	+12	+1	-1	2.96	3.34	13
Quincy, Ill.	+20	+1	+2	+9	3.40	3.36	
Evansville Area, Ind.	+5	+6	+4	-5	2.37	2.65	
Louisville Area, Ky., Ind.	+13	+12	+6	+3	2.39	2.61	20
Paducah, Ky.	+1	+2	-7	-0	2.90	2.94	
St. Louis Area, Mo., Ill.	+16	+13	+7	+18	2.94	2.82	19
Springfield Area, Mo.	+7	+52	+39	+27	2.84	3.40	
Memphis Area, Tenn.	+19	+9	+5	+9	2.75	2.74	15
All Other Cities <sup>2</sup>	+3	+17	+7	-0	4.30	3.98	12

<sup>1</sup> In order to permit publication of figures for this city (or area), a special sample has been constructed which is not confined exclusively to department stores. Figures for any such nondepartment stores, however, are not used in computing the district percentage changes or in computing department store indexes.

<sup>2</sup> Fayetteville, Pine Bluff, Arkansas; Harrisburg, Mt. Vernon, Illinois; Vincennes, Indiana; Danville, Hopkinsville, Mayfield, Owensboro, Kentucky; Chillicothe, Missouri; Greenville, Mississippi; and Jackson, Tennessee.

### INDEXES OF SALES AND STOCKS—8TH DISTRICT

	Aug. 1955	July 1955	June 1955	Aug. 1954
Sales (daily average), unadjusted <sup>3</sup>	N.A.	102	106	100
Sales (daily average), seasonally adjusted <sup>3</sup>	N.A.	132	108	110
Stocks, unadjusted <sup>4</sup>	N.A.	116	116	113
Stocks, seasonally adjusted <sup>4</sup>	N.A.	126	126	113

<sup>3</sup> Daily average 1947-49=100

<sup>4</sup> End of Month average 1947-49=100

N.A. Not available.

Trading days: Aug., 1955—27; July, 1955—25; Aug., 1954—26.

OUTSTANDING ORDERS of reporting stores at the end of Aug., 1955, were 17 per cent larger than on the corresponding date a year ago.

### RETAIL FURNITURE STORES

	Net Sales		Inventories	
	Aug. 1955 compared with July, '55	Aug. '55 compared with July, '54	Aug. 1955 compared with July, '55	Aug. 1955 compared with July, '54
8th Dist. Total <sup>1</sup>	+7%	+15%	+5%	+12%
St. Louis Area	+8	+14	+7	+14
Louisville Area	+14	+15	+3	+15
Memphis Area	+1	+33	*	*
Little Rock Area	+29	+14	*	*
Springfield Area	+1	+21	-2	+2

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

<sup>1</sup> In addition to following cities, includes stores in Blytheville, Fort Smith, Pine Bluff, Arkansas; Owensboro, Kentucky; Greenville, Mississippi; Evansville, Indiana; and Cape Girardeau, Missouri.

NOTE:—Figures shown are preliminary and subject to revision.

### PERCENTAGE DISTRIBUTION OF FURNITURE SALES

	Aug. '55	July, '55	Aug. '54
Cash Sales	14%	13%	15%
Credit Sales	86	87	85
Total Sales	100%	100%	100%