

FEDERAL RESERVE statistical release



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SURVEY OF TERMS OF BANK LENDING MADE DURING MAY 2-6, 1983

Table 1
SHORT-TERM COMMERCIAL AND INDUSTRIAL LOANS (OTHER THAN CONSTRUCTION AND LAND DEVELOPMENT)

	Size class of loans (thousands)						
	all sizes	\$1-24	\$25-49	\$50-99	\$100-499	\$500-999	\$1000 and over
ALL BANKS¹							
Amount of loans (thousands)	\$38,047,964c	\$1,048,221c	\$837,763c	\$1,107,318c	\$2,190,699	\$1,043,487	\$31,820,476c
Number of loans	200,351c	139,058c	25,163c	17,308c	12,655	1,580	4,581c
Weighted average maturity (months) ²	1.4	4.0	4.2	4.5	4.9	3.3	.8c
Loans with fixed rates	.9	3.4	3.7	3.3	4.7	1.9	.5c
Loans with floating rates	2.2	5.5	5.3	5.9	5.1	4.1	1.5c
Weighted average interest rate (%) ³	10.30	13.86	13.68	12.62	11.87	11.34	9.87c
Standard error ⁴	.16	.24	.25	.27	.07	.12	.13c
Interquartile range ⁵	9.55-10.50	12.68-14.49	12.34-14.11	11.57-13.80	11.02-12.47	10.92-12.10	9.52-9.96c
Loans with fixed rates	10.21	14.39	14.36	13.29	11.86	10.73	9.80c
Loans with floating rates	10.43	12.96	12.55	12.00	11.87	11.58	9.99c
Percentage of amount of loans:							
With floating rates	41.0	36.6	37.6	51.9	63.4	71.6	38.3c
Made under commitment	65.0	39.5	37.9	61.3	54.2	70.4	67.3c
With no stated maturity	13.2	12.7	18.1	16.9	29.8	32.3	11.2c
With one-day maturity	37.1	.1	.0	.1	.4	2.1	44.3c
48 LARGE BANKS¹							
Amount of loans (thousands)	\$28,523,797c	\$68,933c	\$80,107c	\$143,553c	\$578,977	\$446,646	\$27,205,582c
Number of loans	17,996c	6,554c	2,379c	2,203c	2,873	269	3,320c
Weighted average maturity (months) ²	.8	4.7	4.8	5.1	4.0	6.7	.7c
Loans with fixed rates	.5	3.1	2.8	2.6	1.9	1.5	.5c
Loans with floating rates	1.4	5.5	5.3	5.6	4.6	3.7	1.2c
Weighted average interest rate (%) ³	9.93	12.83	12.33	12.18	11.76	11.18	9.85c
Standard error ⁴	.02	.02	.07	.09	.03	.06	.02c
Interquartile range ⁵	9.54-9.99	12.01-13.38	11.91-13.11	11.58-12.68	11.02-12.19	10.40-11.69	9.53-9.96c
Loans with fixed rates	9.85	13.53	12.60	12.44	11.33	10.51	9.82c
Loans with floating rates	10.06	12.59	12.28	12.14	11.86	11.46	9.88c
Percentage of amount of loans:							
With floating rates	40.0	74.1	85.7	85.4	80.2	71.0	38.2c
Made under commitment	67.1	57.8	62.1	70.5	66.4	75.9	67.0c
With no stated maturity	10.4	21.7	27.2	33.0	35.6	33.6	9.3c
With one-day maturity	44.8	.1	.0	.1	.5	4.1	46.9c
OTHER BANKS							
Amount of loans (thousands)	\$9,524,166	\$979,288	\$757,656	\$963,765	\$1,611,722	\$596,842	\$4,614,894
Number of loans	182,356	132,504	22,785	15,101	9,792	913	1,262
Weighted average maturity (months) ²	3.1	4.0	4.1	4.5	5.3	3.6	1.7
Loans with fixed rates	2.2	3.4	3.7	3.4	5.1	2.3	.7
Loans with floating rates	4.9	5.5	5.2	6.0	5.4	4.4	4.1
Weighted average interest rate (%) ³	11.42	13.94	13.82	12.68	11.91	11.45	10.05
Standard error ⁴	.15	.24	.23	.25	.06	.10	.12
Interquartile range ⁵	9.58-12.68	12.74-14.58	12.68-14.11	11.57-13.86	11.02-12.61	10.92-12.13	9.40-10.50
Loans with fixed rates	11.38	14.41	14.40	13.33	11.94	10.90	9.68
Loans with floating rates	11.46	13.02	12.62	11.96	11.88	11.67	10.63
Percentage of amount of loans:							
With floating rate	43.9	34.0	32.5	46.9	57.4	72.0	38.9
Made under commitment	58.8	38.3	35.3	60.0	49.8	66.3	68.9
With no stated maturity	21.5	12.1	17.2	14.5	27.7	31.3	22.3
With one-day maturity	14.2	.0	.0	.1	.3	.6	29.1

See last page for footnotes.
c = Corrected data

Table 2
LONG-TERM COMMERCIAL AND INDUSTRIAL LOANS (OTHER THAN CONSTRUCTION AND LAND DEVELOPMENT)

	Size class of loans (thousands)				
	all sizes	\$1-99	\$100-499	\$500-999	\$1000 and over
ALL BANKS 1					
Amount of loans (thousands)	\$4,204,614	\$776,312	\$420,211	\$180,470	\$2,827,561
Number of loans	38,494	35,845	1,397	265	387
Weighted average maturity (months) ²	56.6	33.4	35.6	44.6	66.8
Loans with fixed rates	44.0	36.9	22.0	58.1	55.4
Loans with floating rates	62.7	26.3	46.3	42.0	70.1
Weighted average interest rate (%) ³	11.41	14.52	12.86	11.92	10.31
Standard error ⁴	.44	.75	.36	.18	.21
Interquartile range ⁵	9.71-12.19	12.13-14.93	11.73-14.00	11.19-12.68	9.63-11.02
Loans with fixed rates	12.24	15.01	13.78	11.95	9.55
Loans with floating rates	11.01	13.51	12.15	11.92	10.53
Percentage of amount of loans:					
With floating rates	67.4	33.0	56.1	84.1	77.5
Made under commitment	72.3	18.3	42.8	76.2	91.3
48 LARGE BANKS 1					
Amount of loans (thousands)	\$2,584,866	\$36,098	\$106,694	\$100,199	\$2,341,875
Number of loans	2,358	1,484	479	149	247
Weighted average maturity (months) ²	69.3	39.6	44.3	40.9	72.1
Loans with fixed rates	94.1	42.5	46.6	54.4	54.6
Loans with floating rates	74.0	38.6	43.8	38.8	77.8
Weighted average interest rate (%) ³	10.37	13.15	11.95	12.12	10.18
Standard error ⁴	.09	.03	.17	.10	.05
Interquartile range ⁵	9.63-11.46	12.13-13.80	11.02-12.68	11.30-13.24	9.56-10.61
Loans with fixed rates	9.74	14.61	11.98	12.36	9.58
Loans with floating rates	10.56	12.67	11.95	12.09	10.39
Percentage of amount of loans:					
With floating rates	76.4	75.3	81.9	86.9	75.7
Made under commitment	91.9	43.0	82.8	92.3	93.0
OTHER BANKS					
Amount of loans (thousands)	\$1,619,748	\$740,214	\$313,597	\$80,271	\$485,666
Number of loans	36,136	34,361	1,519	116	141
Weighted average maturity (months) ²	36.2	33.1	32.7	49.3	41.1
Loans with fixed rates	35.8	36.8	19.1	61.1	62.9
Loans with floating rates	36.6	24.9	47.8	46.4	37.6
Weighted average interest rate (%) ³	13.07	14.59	13.17	11.67	10.93
Standard error ⁴	.42	.74	.31	.15	.20
Interquartile range ⁵	11.23-14.00	12.13-14.93	12.13-14.00	11.02-12.68	10.31-11.73
Loans with fixed rates	14.26	15.02	13.99	11.62	9.70
Loans with floating rates	12.03	13.61	12.26	11.69	11.13
Percentage of amount of loans:					
With floating rates	53.2	31.0	47.4	80.5	86.2
Made under commitment	41.2	17.1	29.2	56.0	83.2

See last page for notes to tables.

Table 3
CONSTRUCTION AND LAND DEVELOPMENT LOANS (SECURED AND UNSECURED BY REAL ESTATE)

	Size class of loans (thousands)					
	all sizes	\$1-24	\$25-49	\$50-99	\$100-499	\$500 and over
ALL BANKS¹						
Amount of loans (thousands)	\$1,917,014	\$199,628	\$77,218	\$47,315	\$438,205	\$1,154,649
Number of loans	25,727	21,047	2,219	716	1,460	284
Weighted average maturity (months) ²	8.3	5.8	7.1	13.8	7.6	8.9
Loans with fixed rates	5.2	5.7	6.8	8.6	6.1	4.4
Loans with floating rates	12.2	5.9	8.0	14.8	11.3	12.9
Weighted average interest rate (%) ³	11.72	14.44	13.99	12.91	12.08	10.91
Standard error ⁴	-.58	-.64	-.51	-.41	-.31	-.40
Interquartile range ⁵	10.18-12.68	13.50-14.74	13.52-14.76	12.46-13.31	11.84-12.12	9.55-12.41
Loans with fixed rates	11.53	14.97	14.42	13.16	11.93	10.01
Loans with floating rates	11.93	13.34	12.93	12.87	12.46	11.59
Percentage of amount of loans:						
With floating rates	47.7	32.2	28.8	85.0	29.5	56.9
Secured by real estate	56.7	75.3	94.1	84.2	93.5	36.0
Made under commitment	48.3	41.5	61.9	64.8	22.4	57.7
Made for construction	100.0	100.0	100.0	100.0	100.0	100.0
1-4 family	7.3	20.2	17.2	46.1	8.3	2.4
Multifamily	5.5	14.6	6.1	17.2	7.4	2.6
Nonresidential	87.2	65.1	76.7	36.7	84.3	95.0
With no stated maturity	6.9	10.7	2.8	7.0	2.5	8.2
With one-day maturity	18.0	.0	.0	.4	.0	29.9
48 LARGE BANKS¹						
Amount of loans (thousands)	\$1,047,549	\$4,793	\$3,908	\$9,569	\$44,480	\$984,799
Number of loans	1,107	506	111	131	185	173
Weighted average maturity (months) ²	7.9	8.0	8.9	8.5	8.6	7.8
Loans with fixed rates	4.3	10.6	48.0	.0	8.2	4.2
Loans with floating rates	11.2	7.7	8.0	8.5	8.6	11.6
Weighted average interest rate (%) ³	10.79	12.96	12.86	12.64	12.17	10.69
Standard error ⁴	-.20	-.19	-.13	-.37	-.11	-.25
Interquartile range ⁵	9.55-12.13	12.40-13.80	12.60-13.52	12.40-13.24	11.57-12.68	9.55-11.95
Loans with fixed rates	9.89	13.44	12.55	.00	10.74	9.88
Loans with floating rates	11.51	12.90	12.86	12.64	12.23	11.41
Percentage of amount of loans:						
With floating rates	55.8	89.1	98.2	100.0	96.0	53.2
Secured by real estate	28.4	93.3	86.9	90.8	63.6	25.7
Made under commitment	58.2	83.6	85.5	62.6	71.9	57.3
Made for construction	100.0	100.0	100.0	100.0	100.0	100.0
1-4 family	2.7	39.7	23.7	46.1	17.1	1.3
Multifamily	1.5	12.9	11.6	15.9	14.0	.7
Nonresidential	95.9	47.4	64.6	38.1	68.9	98.0
With no stated maturity	8.1	5.0	10.3	8.6	6.0	8.2
With one-day maturity	32.7	.0	.0	2.2	.0	34.8
OTHER BANKS						
Amount of loans (thousands)	\$869,465	\$194,835	\$73,310	\$37,746	\$393,726	\$169,849
Number of loans	24,620	20,542	2,108	585	1,275	111
Weighted average maturity (months) ²	8.8	5.7	7.0	15.1	7.5	14.9
Loans with fixed rates	6.1	5.7	6.7	8.6	6.1	5.7
Loans with floating rates	13.9	5.8	8.0	16.7	12.7	17.8
Weighted average interest rate (%) ³	12.84	14.48	14.05	12.98	12.07	12.17
Standard error ⁴	-.53	-.60	-.49	-.17	-.28	-.30
Interquartile range ⁵	11.84-13.75	13.50-14.74	14.03-14.76	12.50-13.31	11.84-11.84	11.02-12.75
Loans with fixed rates	12.94	14.97	14.43	13.16	11.93	11.70
Loans with floating rates	12.67	13.38	12.95	12.94	12.58	12.30
Percentage of amount of loans:						
With floating rates	37.8	30.8	25.1	81.2	22.0	78.4
Secured by real estate	90.9	74.8	94.4	82.6	96.8	95.7
Made under commitment	36.3	40.4	60.6	65.4	16.8	60.0
Made for construction	100.0	100.0	100.0	100.0	100.0	100.0
1-4 family	12.9	19.7	16.8	45.1	7.3	8.9
Multifamily	10.3	14.7	5.8	17.6	6.7	13.9
Nonresidential	76.8	65.6	77.4	36.3	86.0	77.1
With no stated maturity	5.5	10.8	2.4	6.6	2.1	8.3
With one-day maturity	.3	.0	.0	.0	.0	1.4

See last page for notes to tables.

Table 4
LOANS TO FARMERS

	Size class of loans (thousands)						
	all sizes	\$1-9	\$10-24	\$25-49	\$50-99	\$100-249	\$250 and over
ALL BANKS							
Amount of loans (thousands)	\$1,698,648	\$195,436	\$204,859	\$168,982	\$254,228	\$240,631	\$634,513
Number of loans	79,848	54,748	13,889	5,146	3,625	1,724	717
Weighted average maturity (months) ²	10.6	6.8	8.8	8.0	7.7	29.4	7.0
Weighted average interest rate (%) ³	13.26	14.01	13.80	13.60	14.23	13.68	12.21
Standard error ⁴	- .31	- .19	- .27	- .33	- .40	- .61	- .39
Interquartile range ⁵	12.13-14.21	13.43-14.56	13.29-14.18	12.96-14.20	13.42-15.19	13.00-14.45	11.83-12.55
By purpose of loan:							
Feeder livestock	13.35	14.26	13.90	13.44	14.36	13.71	12.17
Other livestock	13.00	14.01	12.96	13.75	13.26	*	*
Other current operating expenses	13.25	13.98	13.59	13.80	13.54	13.76	12.35
Farm machinery and equipment	14.78	13.90	15.01	13.64	15.68	14.16	*
Other	12.62	14.19	14.08	12.97	13.75	13.74	12.03
Percentage of amount of loans:							
With floating rates	53.5	29.1	30.8	42.5	40.4	52.3	77.0
Made under commitment	54.3	21.2	28.9	30.6	48.0	51.6	82.4
By purpose of loan:							
Feeder livestock	12.2	7.9	12.2	12.3	11.7	21.5	10.3
Other livestock	5.1	8.5	11.1	8.7	4.2	*	*
Other current operating expenses	50.2	65.7	54.8	56.5	36.7	48.8	48.1
Farm machinery and equipment	10.0	9.5	13.9	5.2	26.5	15.2	*
Other	22.5	8.4	8.1	17.3	21.0	9.3	38.5
LARGE BANKS⁶							
Amount of loans (thousands)	\$601,444	\$9,782	\$15,485	\$20,775	\$25,625	\$46,024	\$483,753
Number of loans	5,143	2,479	1,061	624	375	302	301
Weighted average maturity (months) ²	6.9	6.7	6.9	6.8	7.1	6.5	6.9
Weighted average interest rate (%) ³	12.01	13.03	12.76	12.72	12.54	12.28	11.88
Standard error ⁴	- .18	- .11	- .09	- .13	- .11	- .24	- .37
Interquartile range ⁵	11.74-12.31	12.36-13.47	12.04-13.31	12.12-13.31	12.00-13.31	11.61-12.96	11.74-12.13
By purpose of loan:							
Feeder livestock	12.02	12.98	12.74	12.59	12.01	12.28	11.91
Other livestock	12.23	13.32	12.93	12.73	*	*	*
Other current operating expenses	12.16	12.96	12.66	12.35	12.39	11.92	12.11
Farm machinery and equipment	12.95	13.51	13.57	13.25	13.38	12.89	*
Other	11.71	13.20	12.79	13.04	12.37	12.54	11.61
Percentage of amount of loans:							
With floating rates	83.1	74.3	80.4	83.9	80.9	79.8	83.8
Made under commitment	89.8	71.6	68.4	62.6	59.7	69.7	95.5
By purpose of loan:							
Feeder livestock	12.1	6.5	6.2	13.0	10.0	26.0	11.1
Other livestock	2.7	4.6	8.3	5.5	*	*	*
Other current operating expenses	46.0	70.7	65.2	41.3	50.1	35.2	45.9
Farm machinery and equipment	3.5	2.7	6.0	22.6	19.3	14.9	*
Other	35.8	15.5	14.3	17.6	14.5	18.7	40.4
OTHER BANKS⁶							
Amount of loans (thousands)	\$1,097,204	\$185,654	\$189,374	\$148,207	\$228,603	\$194,607	\$150,759
Number of loans	74,705	52,268	12,827	4,522	3,250	1,421	416
Weighted average maturity (months) ²	12.6	6.8	8.9	8.1	7.8	34.1	7.5
Weighted average interest rate (%) ³	13.94	14.06	13.88	13.72	14.42	14.01	13.28
Standard error ⁴	- .25	- .15	- .25	- .30	- .39	- .56	- .10
Interquartile range ⁵	13.42-14.49	13.43-14.66	13.42-14.22	13.00-14.26	13.42-15.21	13.24-14.74	12.89-13.69
By purpose of loan:							
Feeder livestock	14.07	14.31	13.94	13.57	*	*	*
Other livestock	13.17	14.02	12.97	*	*	*	*
Other current operating expenses	13.77	14.03	13.69	13.94	13.73	14.05	13.01
Farm machinery and equipment	15.03	13.90	15.06	*	*	*	*
Other	13.80	14.29	14.28	*	*	*	*
Percentage of amount of loans:							
With floating rates	37.3	26.8	26.7	36.7	35.8	45.8	55.1
Made under commitment	34.8	18.6	25.7	26.1	46.7	47.4	40.5
By purpose of loan:							
Feeder livestock	12.3	8.0	12.6	12.1	*	*	*
Other livestock	6.4	8.7	11.3	8.6	*	*	*
Other current operating expenses	52.4	65.5	53.9	58.6	35.2	52.0	55.1
Farm machinery and equipment	13.6	9.8	14.5	*	*	*	*
Other	15.2	8.0	7.5	*	*	*	*

See last page for notes to tables.

* Fewer than 10 sample loans

Table E
SHORT-TERM COMMERCIAL AND INDUSTRIAL LOANS MADE BELOW PRIME

	Size class of loans (thousands)						
	all sizes	\$1-24	\$25-49	\$50-99	\$100-499	\$500-999	\$1000 and over
ALL BANKS							
Average prime rate ⁷	10.6	11.7	11.8	11.5	10.9	10.5	10.5
Characteristics of loans made at rates below prime: ⁸							
Amount of loans (millions)	29,615	43	33	175	254	232	28,878
Number of loans	15,147	6,206	1,045	2,714	1,188	349	3,644
Average maturity (months) ²	0.8	5.3	5.7	5.9	7.6	1.8	0.7
Percent with no stated maturity	9.1	8.7	16.1	2.7	13.3	17.4	9.1
Percent with one-day maturity	46.8	0.0	0.0	0.2	2.0	7.6	47.9
Average effective interest rate (%) ³	9.72	11.44	11.82	11.50	9.87	9.94	9.70
Average nominal interest rate (%) ⁹	9.30	11.05	11.43	11.04	9.65	9.53	9.28
48 LARGE BANKS							
Average prime rate ⁷	10.5	10.5	10.5	10.5	10.5	10.5	10.5
Characteristics of loans made at rates below prime: ⁸							
Amount of loans (millions)	25,459	1	4	4	45	119	25,287
Number of loans	3,422	102	105	68	174	174	2,795
Average maturity (months) ²	0.6	4.9	5.1	5.1	1.8	1.4	0.6
Percent with no stated maturity	8.0	21.9	12.2	34.5	29.7	14.8	7.9
Percent with one-day maturity	49.2	0.0	0.0	0.0	3.9	11.7	49.5
Average effective interest rate (%) ³	9.72	9.20	7.73	9.13	9.76	9.93	9.71
Average nominal interest rate (%) ⁹	9.29	8.86	7.47	8.79	9.36	9.51	9.29
OTHER BANKS							
Average prime rate ⁷	11.0	11.8	12.0	11.6	11.1	10.5	10.5
Characteristics of loans made at rates below prime: ⁸							
Amount of loans (millions)	4,155	42	29	170	209	113	3,592
Number of loans	11,725	6,104	940	2,647	1,014	175	845
Average maturity (months) ²	1.8	5.3	5.8	5.9	8.5	2.2	1.4
Percent with no stated maturity	16.3	8.4	16.6	1.9	9.7	20.1	17.3
Percent with one-day maturity	32.3	0.0	0.0	0.2	1.5	3.2	37.2
Average effective interest rate (%) ³	9.74	11.50	12.34	11.56	9.89	9.96	9.60
Average nominal interest rate (%) ⁹	9.35	11.10	11.94	11.10	9.72	9.56	9.20

See last page for notes to tables.

NOTES

The survey of terms of bank lending to business is taken of about 340 banks selected to represent all sizes of banks. The sample data are collected over one business week and used to estimate lending terms at all insured commercial banks. Short term loans have original maturities of less than one year, and long term loans have maturities of one year or more. Construction and land development loans include both unsecured and loans secured by real estate. Thus,

some of the construction and land development loans would be reported on the statement of condition as real estate loans and the remainder as business loans. The survey of terms of bank lending to farmers covers about 250 banks selected to represent all sizes of banks. Loans secured by real estate, purchased loans, foreign loans, and loans of less than \$1,000 are excluded from the survey

- 1 As of 12/31/82, average domestic assets of 48 large banks were \$13.9 billion and assets of the smallest of these banks were \$2.7 billion. For all insured banks, total domestic assets averaged \$129 million.
- 2 The weighted average maturity is calculated only for loans with a stated date of maturity (that is, loans payable on demand are excluded). In computing the average, each loan is weighted by its dollar amount.
- 3 The approximate compounded annual interest rate on each loan is calculated from survey data on the stated rate and other terms of the loan; then, in computing the average of these approximate effective rates, each loan is weighted by its dollar amount.
- 4 The chances are about 2 out of 3 that the average rate shown would differ by less than this amount from the average rate that would be found by a complete survey of lending at all banks.
- 5 The interquartile range shows the interest rate range that encompasses the middle fifty percent of the total dollar amount of loans made.
- 6 Among banks reporting loans to farmers (Table 4), most "large banks" (survey strata 1 to 3) had over \$500 million in total assets, and most "other banks" (survey strata 4 to 6) had total assets below \$500 million.
- 7 The prime rate reported by each bank is weighted by the volume of loans extended and then averaged.
- 8 This survey provides data on gross loan extensions made during one week of each quarter. The proportion of those loan extensions which is made at rates below prime may vary substantially from the proportion of such loans outstanding in bank loan portfolios.
- 9 The approximate annual interest rate on each loan—without regard to compounding—is calculated from survey data on the stated rate and other terms of the loan; then, in computing the average of these approximate nominal rates, each loan is weighted by its dollar amount.