

# FEDERAL RESERVE statistical release



E.2

For immediate release  
SEPTEMBER 29, 1983

## SURVEY OF TERMS OF BANK LENDING MADE DURING AUGUST 1-5, 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
<b>ALL BANKS<sup>1</sup></b>							
Amount of loans (thousands)	\$36,819,864	\$949,559	\$668,400	\$1,094,777	\$2,138,132	\$986,449	\$30,982,550
Number of loans	171,400	115,850	20,397	17,109	12,278	1,478	4,291
Weighted average maturity (months) <sup>2</sup>	1.2	3.7	4.3	3.4	4.0	3.9	.8
Loans with fixed rates	.7	3.3	4.2	2.6	3.5	2.8	.4
Loans with floating rates	2.1	4.6	4.5	4.7	4.3	4.5	1.5
Weighted average interest rate (%) <sup>3</sup>	11.09	13.99	13.56	12.73	11.89	11.81	10.81
Standard error <sup>4</sup>	.15	.18	.23	.27	.12	.17	.14
Interquartile range <sup>5</sup>	10.52-11.07	13.10-14.93	12.25-14.50	11.85-13.65	11.02-12.53	11.02-12.46	10.52-11.01
Loans with fixed rates	11.01	14.41	13.98	12.97	12.08	11.90	10.76
Loans with floating rates	11.23	13.28	12.87	12.50	11.80	11.77	10.92
<b>Percentage of amount of loans:</b>							
With floating rates	36.2	37.0	38.3	50.4	66.0	71.7	32.4
Made under commitment	64.3	32.9	33.2	45.9	51.8	65.7	67.4
With no stated maturity	11.3	11.2	15.7	24.7	25.2	36.4	8.9
With one-day maturity	38.0	.1	.1	.2	.6	.9	45.0
<b>48 LARGE BANKS<sup>1</sup></b>							
Amount of loans (thousands)	\$27,927,123	\$62,270	\$78,689	\$138,124	\$564,380	\$388,974	\$26,694,685
Number of loans	16,857	5,906	2,334	2,137	2,877	578	3,025
Weighted average maturity (months) <sup>2</sup>	.7	4.1	4.1	3.8	3.7	4.2	.6
Loans with fixed rates	.4	3.0	2.6	2.4	2.0	2.5	.4
Loans with floating rates	1.3	4.5	4.5	4.1	4.3	4.8	1.1
Weighted average interest rate (%) <sup>3</sup>	10.85	12.88	12.41	12.24	11.80	11.48	10.81
Standard error <sup>4</sup>	.03	.04	.13	.05	.01	.04	.03
Interquartile range <sup>5</sup>	10.52-11.02	12.05-13.50	11.85-13.10	11.63-12.75	11.02-12.25	11.02-12.01	10.52-11.01
Loans with fixed rates	10.80	13.46	12.66	12.38	11.50	11.09	10.79
Loans with floating rates	10.95	12.67	12.36	12.21	11.87	11.59	10.84
<b>Percentage of amount of loans:</b>							
With floating rates	33.2	74.3	82.1	82.8	80.1	77.4	31.1
Made under commitment	67.1	59.0	67.1	68.9	67.9	69.6	67.1
With no stated maturity	8.5	23.2	29.3	30.9	35.9	35.2	7.3
With one-day maturity	46.0	.3	.3	.3	1.5	1.6	48.0
<b>OTHER BANKS</b>							
Amount of loans (thousands)	\$8,892,746	\$887,289	\$589,711	\$956,653	\$1,573,752	\$597,475	\$4,287,866
Number of loans	154,542	109,944	19,063	14,972	9,397	900	1,267
Weighted average maturity (months) <sup>2</sup>	3.0	3.7	4.3	3.4	4.0	3.7	2.1
Loans with fixed rates	2.1	3.3	4.2	2.6	3.7	3.0	.7
Loans with floating rates	4.4	4.6	4.6	4.8	4.3	4.3	4.3
Weighted average interest rate (%) <sup>3</sup>	11.84	14.06	13.71	12.81	11.93	12.02	10.85
Standard error <sup>4</sup>	.14	.17	.18	.25	.12	.16	.14
Interquartile range <sup>5</sup>	10.66-12.90	13.24-14.97	12.68-14.75	11.85-13.68	10.96-12.68	11.02-12.75	10.52-11.05
Loans with fixed rates	11.82	14.44	14.03	13.00	12.18	12.28	10.52
Loans with floating rates	11.86	13.37	13.04	12.58	11.77	11.90	11.33
<b>Percentage of amount of loans:</b>							
With floating rate	45.5	35.0	32.5	45.7	61.0	67.9	40.7
Made under commitment	55.2	31.1	28.7	42.6	46.0	63.2	68.9
With no stated maturity	19.9	10.4	13.9	23.8	21.4	37.2	18.9
With one-day maturity	12.9	.1	.1	.1	.3	.4	26.5

See last page for footnotes.

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
<b>ALL BANKS<sup>1</sup></b>					
Amount of loans (thousands)	\$4,491,493	\$531,982	\$386,952	\$151,196	\$3,421,363
Number of loans	26,332	23,262	2,176	228	667
Weighted average maturity (months) <sup>2</sup>	55.3	48.8	68.5	40.0	55.5
Loans with fixed rates	61.8	54.2	112.8	53.1	52.6
Loans with floating rates	53.7	38.3	46.5	37.7	55.9
Weighted average interest rate (%) <sup>3</sup>	11.83	14.53	12.06	11.66	11.39
Standard error <sup>4</sup>	.28	.61	.23	.24	.20
Interquartile range <sup>5</sup>	10.92-12.40	12.68-15.60	11.02-12.96	11.02-12.13	10.92-11.73
Loans with fixed rates	13.00	15.54	12.05	11.77	11.17
Loans with floating rates	11.53	12.59	12.07	11.64	11.42
Percentage of amount of loans:					
With floating rates	79.8	34.1	66.8	85.4	88.1
Made under commitment	66.0	17.1	43.8	72.3	75.8
<b>48 LARGE BANKS<sup>1</sup></b>					
Amount of loans (thousands)	\$3,031,864	\$38,689	\$118,115	\$82,843	\$2,792,217
Number of loans	2,590	1,439	578	124	449
Weighted average maturity (months) <sup>2</sup>	53.6	35.8	39.2	36.3	55.0
Loans with fixed rates	42.4	45.4	41.5	39.8	42.4
Loans with floating rates	55.0	32.3	38.8	35.7	56.5
Weighted average interest rate (%) <sup>3</sup>	11.43	13.05	11.97	11.59	11.38
Standard error <sup>4</sup>	.12	.06	.03	.08	.12
Interquartile range <sup>5</sup>	10.92-11.70	12.13-13.80	11.06-12.54	11.02-12.12	10.92-11.57
Loans with fixed rates	11.45	14.47	12.65	12.47	11.25
Loans with floating rates	11.43	12.55	11.87	11.44	11.40
Percentage of amount of loans:					
With floating rates	89.0	73.7	87.1	85.2	89.4
Made under commitment	80.8	54.7	80.5	83.6	81.1
<b>OTHER BANKS</b>					
Amount of loans (thousands)	\$1,459,628	\$493,292	\$268,837	\$68,353	\$629,186
Number of loans	23,743	21,823	1,597	104	218
Weighted average maturity (months) <sup>2</sup>	58.8	49.8	81.4	44.5	57.7
Loans with fixed rates	73.0	54.5	122.4	69.8	79.8
Loans with floating rates	49.5	39.5	51.6	40.2	52.9
Weighted average interest rate (%) <sup>3</sup>	12.65	14.65	12.10	11.74	11.40
Standard error <sup>4</sup>	.20	.60	.23	.22	.16
Interquartile range <sup>5</sup>	11.07-13.50	12.68-15.87	11.00-13.24	11.07-12.19	10.92-12.13
Loans with fixed rates	13.89	15.57	11.97	10.89	10.95
Loans with floating rates	11.84	12.60	12.20	11.89	11.50
Percentage of amount of loans:					
With floating rates	60.7	31.0	58.0	85.6	82.4
Made under commitment	35.3	14.2	27.7	58.7	52.5

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
<b>ALL BANKS<sup>1</sup></b>						
Amount of loans (thousands)	\$1,340,014	\$166,917	\$85,625	\$47,270	\$481,527	\$558,674
Number of loans	23,395	18,146	2,401	726	2,485	237
Weighted average maturity (months) <sup>2</sup>	15.5	5.4	10.4	11.5	19.7	17.0
Loans with fixed rates	14.1	3.2	10.9	9.4	22.9	4.6
Loans with floating rates	16.5	10.1	8.1	12.3	14.0	18.4
Weighted average interest rate (%) <sup>3</sup>	12.99	14.91	13.47	12.70	12.97	12.40
Standard error <sup>4</sup>	.30	1.00	.36	.27	.44	.27
Interquartile range <sup>5</sup>	12.13-13.61	13.24-15.51	13.50-13.81	12.13-13.24	11.07-14.37	11.62-13.24
Loans with fixed rates	14.18	15.57	13.66	13.10	14.08	12.61
Loans with floating rates	12.43	13.50	12.81	12.56	11.93	12.37
Percentage of amount of loans:						
With floating rates	64.1	32.1	22.0	73.3	51.7	90.0
Secured by real estate	80.8	81.8	97.5	89.5	96.3	63.9
Made under commitment	75.4	80.1	60.9	74.6	83.5	69.3
Made for construction	100.0	100.0	100.0	100.0	100.0	100.0
1-4 family	23.3	65.5	17.0	36.2	12.1	20.2
Multifamily	10.5	7.2	4.9	16.6	8.2	13.9
Nonresidential	66.2	27.3	78.1	47.2	79.7	65.9
With no stated maturity	10.1	1.0	2.7	7.6	24.8	1.4
With one-day maturity	.4	.1	.2	.8	.3	.5
<b>48 LARGE BANKS<sup>1</sup></b>						
Amount of loans (thousands)	\$464,472	\$2,442	\$2,692	\$6,927	\$42,983	\$409,426
Number of loans	738	246	74	103	189	126
Weighted average maturity (months) <sup>2</sup>	15.0	7.8	10.1	10.8	11.5	15.5
Loans with fixed rates	3.6	3.3	13.3	16.3	21.9	1.6
Loans with floating rates	16.5	8.5	9.6	10.1	10.3	17.3
Weighted average interest rate (%) <sup>3</sup>	12.48	12.61	12.55	12.50	12.77	12.45
Standard error <sup>4</sup>	.10	.14	.21	.18	.06	.15
Interquartile range <sup>5</sup>	11.62-13.24	12.13-13.24	12.13-13.24	12.01-13.24	12.13-13.24	11.57-13.24
Loans with fixed rates	12.77	13.54	11.82	13.23	13.02	12.74
Loans with floating rates	12.44	12.47	12.64	12.41	12.74	12.41
Percentage of amount of loans:						
With floating rates	88.8	87.2	88.1	89.3	89.9	88.7
Secured by real estate	56.7	92.3	89.6	74.0	82.2	53.3
Made under commitment	78.1	69.2	76.3	74.7	68.6	79.2
Made for construction	100.0	100.0	100.0	100.0	100.0	100.0
1-4 family	25.5	41.9	52.4	35.4	38.2	23.7
Multifamily	8.4	25.7	19.5	11.6	13.8	7.5
Nonresidential	66.2	32.4	28.1	53.0	48.0	68.8
With no stated maturity	1.1	7.9	3.4	3.6	1.5	.9
With one-day maturity	.9	4.6	5.6	.0	3.5	.6
<b>OTHER BANKS</b>						
Amount of loans (thousands)	\$875,542	\$164,475	\$82,933	\$40,343	\$438,544	\$149,247
Number of loans	23,257	17,901	2,327	623	2,296	111
Weighted average maturity (months) <sup>2</sup>	15.9	5.4	10.4	11.6	20.7	21.1
Loans with fixed rates	15.4	3.2	10.9	9.0	22.9	19.2
Loans with floating rates	16.5	10.2	7.9	12.8	15.5	21.2
Weighted average interest rate (%) <sup>3</sup>	13.27	14.94	13.50	12.74	12.98	12.26
Standard error <sup>4</sup>	.28	.98	.28	.19	.43	.21
Interquartile range <sup>5</sup>	12.19-14.37	13.31-15.51	13.50-13.81	12.13-13.25	11.02-14.37	12.01-12.75
Loans with fixed rates	14.35	15.58	13.67	13.09	14.10	11.96
Loans with floating rates	12.23	13.54	12.83	12.59	11.78	12.28
Percentage of amount of loans:						
With floating rates	51.0	31.3	19.9	70.6	48.0	93.7
Secured by real estate	93.6	81.7	97.7	92.1	97.7	92.6
Made under commitment	74.0	80.3	60.4	74.5	85.0	82.2
Made for construction	100.0	100.0	100.0	100.0	100.0	100.0
1-4 family	22.1	65.9	15.8	36.4	9.5	10.5
Multifamily	11.7	6.9	4.4	7.4	7.7	31.3
Nonresidential	66.2	27.2	79.7	46.2	82.8	58.1
With no stated maturity	14.8	.9	2.7	8.3	27.1	2.7
With one-day maturity	.1	.0	.0	1.0	.0	.0

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
<b>ALL BANKS</b>							
Amount of loans (thousands)	\$942,246	\$157,098	\$153,852	\$152,314	\$129,834	\$89,163	\$259,986
Number of loans	62,401	44,542	10,559	4,307	1,987	642	383
Weighted average maturity (months) <sup>2</sup>	7.1	6.7	6.1	7.0	8.0	6.4	8.0
Weighted average interest rate (%) <sup>3</sup>	13.72	14.30	14.03	14.15	13.79	13.60	12.94
Standard error <sup>4</sup>	.22	.25	.21	.20	.20	.48	1.56
Interquartile range <sup>5</sup>	12.87-14.49	13.42-14.85	13.42-14.57	13.50-14.63	13.00-14.49	12.43-14.97	11.88-14.49
By purpose of loan:							
Feeder livestock	13.05	14.35	14.31	14.07	13.91	11.57	12.03
Other livestock	14.14	16.89	13.90	14.70	*	13.33	*
Other current operating expenses	13.93	14.01	14.03	14.07	13.99	13.81	13.74
Farm machinery and equipment	14.26	14.55	13.91	14.40	*	*	*
Other	13.17	14.21	13.88	13.92	13.05	13.95	11.67
Percentage of amount of loans:							
With floating rates	40.4	26.9	35.5	29.8	32.6	68.8	51.9
Made under commitment	41.3	33.1	36.8	34.1	42.6	36.3	54.2
By purpose of loan:							
Feeder livestock	19.5	7.1	11.4	16.7	29.7	7.6	32.2
Other livestock	6.5	6.5	8.9	6.4	*	13.3	*
Other current operating expenses	58.1	65.1	64.0	57.3	48.5	60.2	55.0
Farm machinery and equipment	6.4	11.4	7.3	14.3	*	*	*
Other	9.6	9.9	8.3	5.4	6.1	18.9	11.2
<b>LARGE BANKS<sup>6</sup></b>							
Amount of loans (thousands)	\$230,476	\$7,819	\$12,841	\$14,626	\$16,140	\$30,568	\$148,483
Number of loans	4,087	2,111	884	426	249	221	177
Weighted average maturity (months) <sup>2</sup>	6.6	5.1	5.4	6.4	6.6	6.9	6.8
Weighted average interest rate (%) <sup>3</sup>	12.20	13.01	12.91	12.66	12.53	12.24	12.00
Standard error <sup>4</sup>	.15	.09	.19	.15	.10	.23	.33
Interquartile range <sup>5</sup>	11.51-12.68	12.40-13.47	12.16-13.25	12.09-13.24	12.00-13.10	11.58-12.68	11.41-12.28
By purpose of loan:							
Feeder livestock	11.95	12.47	12.04	12.48	12.14	11.94	11.93
Other livestock	12.77	13.24	12.80	13.34	12.80	*	*
Other current operating expenses	12.32	13.03	12.98	12.65	12.68	12.18	12.04
Farm machinery and equipment	12.90	13.77	*	*	*	*	*
Other	12.31	12.93	12.90	12.41	12.40	12.48	12.11
Percentage of amount of loans:							
With floating rates	84.7	76.3	75.9	86.2	72.3	79.2	88.2
Made under commitment	91.0	75.4	80.6	81.0	80.5	90.6	94.9
By purpose of loan:							
Feeder livestock	38.6	3.9	3.8	9.3	14.8	15.2	53.7
Other livestock	4.5	5.3	5.0	8.6	*	*	*
Other current operating expenses	40.2	70.7	66.1	62.6	45.2	60.9	29.3
Farm machinery and equipment	.3	1.3	*	*	*	*	*
Other	16.4	18.7	23.5	18.8	30.0	15.0	14.3
<b>OTHER BANKS<sup>6</sup></b>							
Amount of loans (thousands)	\$711,770	\$149,280	\$141,011	\$137,688	\$113,694	\$58,595	*
Number of loans	58,374	42,431	9,715	3,861	1,738	422	*
Weighted average maturity (months) <sup>2</sup>	7.3	6.8	6.1	7.0	8.2	6.1	*
Weighted average interest rate (%) <sup>3</sup>	14.21	14.37	14.13	14.31	13.97	14.31	*
Standard error <sup>4</sup>	.16	.23	.09	.13	.17	.42	*
Interquartile range <sup>5</sup>	13.75-14.58	13.42-14.88	13.72-14.58	13.95-14.94	13.72-14.49	14.50-14.97	*
By purpose of loan:							
Feeder livestock	14.09	14.41	14.37	14.16	*	*	*
Other livestock	14.41	17.05	13.95	*	*	*	*
Other current operating expenses	14.26	14.07	14.13	14.23	14.16	*	*
Farm machinery and equipment	14.28	14.55	13.93	*	*	*	*
Other	13.79	14.34	14.18	*	*	*	*
Percentage of amount of loans:							
With floating rates	26.1	24.3	31.9	23.8	27.0	63.3	*
Made under commitment	25.2	30.9	32.8	29.2	37.3	7.9	*
By purpose of loan:							
Feeder livestock	13.3	7.3	12.1	17.5	*	*	*
Other livestock	7.1	6.6	9.2	*	*	*	*
Other current operating expenses	63.9	64.8	63.9	56.7	48.9	*	*
Farm machinery and equipment	8.3	12.0	7.9	*	*	*	*
Other	7.4	9.4	6.9	*	*	*	*

See last page for notes to tables.

\* Fewer than 10 sample loans

Table 5  
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
<b>ALL BANKS</b>							
Average prime rate <sup>7</sup>	10.6	11.9	12.1	11.5	10.9	10.7	10.5
<b>Characteristics of loans made at rates below prime:<sup>8</sup></b>							
Amount of loans (millions)	23,735	78	92	168	443	119	22,835
Number of loans	21,061	10,516	2,865	2,491	2,602	186	2,401
Average maturity (months) <sup>2</sup>	0.4	3.4	3.3	2.2	4.3	2.3	0.3
Percent with no stated maturity	6.6	5.8	0.4	2.8	6.8	29.9	6.6
Percent with one-day maturity	50.6	0.0	0.0	0.0	1.0	3.6	52.6
Average effective interest rate (%) <sup>3</sup>	10.64	13.82	13.03	12.09	10.65	10.50	10.61
Average nominal interest rate (%) <sup>9</sup>	10.15	13.17	12.44	11.52	10.18	10.05	10.12
<b>48 LARGE BANKS</b>							
Average prime rate <sup>7</sup>	10.5	10.5	10.5	10.5	10.5	10.5	10.5
<b>Characteristics of loans made at rates below prime:<sup>8</sup></b>							
Amount of loans (millions)	20,116	1	2	3	18	35	20,057
Number of loans	2,040	71	53	44	77	52	1,742
Average maturity (months) <sup>2</sup>	0.2	3.5	5.8	4.2	3.1	2.0	0.2
Percent with no stated maturity	5.1	19.9	0.0	29.6	20.9	41.3	5.0
Percent with one-day maturity	54.9	0.0	0.0	0.0	4.3	5.3	55.1
Average effective interest rate (%) <sup>3</sup>	10.63	8.14	7.26	7.85	9.34	10.50	10.63
Average nominal interest rate (%) <sup>9</sup>	10.13	7.81	7.03	7.56	8.94	10.05	10.13
<b>OTHER BANKS</b>							
Average prime rate <sup>7</sup>	11.0	12.0	12.3	11.6	11.0	10.8	10.5
<b>Characteristics of loans made at rates below prime:<sup>8</sup></b>							
Amount of loans (millions)	3,619	77	90	165	425	84	2,779
Number of loans	19,021	10,445	2,812	2,446	2,525	134	659
Average maturity (months) <sup>2</sup>	1.7	3.4	3.2	2.2	4.3	2.4	1.1
Percent with no stated maturity	15.3	5.6	0.4	2.3	6.2	25.1	17.9
Percent with one-day maturity	26.7	0.0	0.0	0.0	0.8	2.9	34.5
Average effective interest rate (%) <sup>3</sup>	10.71	13.88	13.15	12.17	10.70	10.50	10.47
Average nominal interest rate (%) <sup>9</sup>	10.30	13.23	12.56	11.60	10.23	10.05	10.09

See last page for notes to tables.

## NOTES

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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.

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- 1 As of 3/31/83, average domestic assets of 48 large banks were \$13.6 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.