

FEDERAL RESERVE statistical release



LIBRARY

OCT 2 1989

FEDERAL RESERVE BANK
OF PHILADELPHIA

FOR IMMEDIATE RELEASE
SEPTEMBER 21, 1989

E.2
SURVEY OF TERMS OF BANK LENDING MADE DURING AUGUST 7-11, 1989

TABLE 1
COMMERCIAL AND INDUSTRIAL LOANS MADE BY ALL COMMERCIAL BANKS 1/

LOAN CHARACTERISTICS	AMOUNT OF LOANS (\$1,000)	AVERAGE SIZE (\$1,000)	WEIGHTED AVERAGE MATURITY 2/	LOAN RATE (PERCENT)			PERCENTAGE OF AMOUNT OF LOANS MADE UNDER:		MOST COMMON BASE PRICING RATE 6/
				WEIGHTED AVERAGE EFFECTIVE 3/	STANDARD ERROR 4/	INTER-QUARTILE RANGE 5/	COMMITMENT	PARTICIPATION	
1. ALL C & I LOANS									
OVERNIGHT 7/	10,266,595	5,890	*	10.01	0.14	9.76-10.17	63.7	7.8	FED FUNDS
ONE MONTH AND UNDER (EXCL OVERNIGHT)	6,658,363	777	14	10.19	0.13	9.61-10.38	77.9	11.7	OTHER
-FIXED RATE	4,244,878	913	15	10.01	0.16	9.61-10.18	73.6	16.9	DOMESTIC
-FLOATING RATE	2,413,485	616	13	10.51	0.19	9.52-11.03	85.7	2.4	OTHER
OVER ONE MONTH AND UNDER A YEAR	11,608,941	162	115	11.14	0.18	10.06-12.13	76.7	12.6	PRIME
-FIXED RATE	7,105,557	228	77	10.87	0.23	9.73-12.12	76.8	15.1	OTHER
-FLOATING RATE	4,503,384	111	174	11.57	0.17	10.92-12.19	76.5	8.6	PRIME
DEMAND 8/	15,369,801	227	*	11.27	0.12	10.52-12.13	80.0	7.1	PRIME
-FIXED RATE	2,343,382	563	*	10.15	0.25	9.69-10.75	90.9	16.0	DOMESTIC
-FLOATING RATE	13,026,419	205	*	11.47	0.14	10.92-12.13	78.0	5.5	PRIME
TOTAL UNDER ONE YEAR	43,903,700	293	51	10.78	0.14	9.83-11.63	75.0	9.4	PRIME
-FIXED RATE									
BY SIZE (\$1,000)	23,794,387	571	29	10.28	0.13	9.71-10.50	71.8	12.5	OTHER
1-24	222,700	8	109	15.06	0.20	12.28-13.72	21.6	0.5	PRIME
25-49	111,292	33	109	12.82	0.22	12.01-13.27	22.4	0.1	PRIME
50-99	152,415	64	113	12.12	0.18	11.35-13.03	27.8	12.0	OTHER
100-499	546,811	189	86	11.91	0.25	10.92-12.96	42.4	11.1	OTHER
500-999	328,755	650	58	10.36	0.24	9.85-11.07	74.5	11.0	OTHER
1000+	22,432,413	7,540	26	10.19	0.09	9.69-10.39	73.6	12.7	OTHER
-FLOATING RATE									
BY SIZE (\$1,000)	20,109,313	186	115	11.37	0.15	10.47-12.13	78.7	5.8	PRIME
1-24	527,481	10	167	12.68	0.10	12.01-13.31	72.7	1.1	PRIME
25-49	582,510	34	149	12.50	0.08	11.85-13.24	80.0	0.6	PRIME
50-99	896,543	66	182	12.30	0.05	11.57-12.75	85.2	2.8	PRIME
100-499	3,424,180	192	167	12.00	0.05	11.25-12.68	85.6	5.9	PRIME
500-999	1,605,625	650	168	11.77	0.09	11.02-12.40	78.6	5.4	PRIME
1000+	13,072,974	5,182	88	10.98	0.14	9.99-11.73	76.7	6.4	PRIME
TOTAL ONE YEAR AND OVER	5,037,376	267	54	11.64	0.13	11.02-12.28	67.2	6.7	PRIME
-FIXED RATE									
BY SIZE (\$1,000)	1,648,075	249	59	11.32	0.25	10.55-11.65	76.2	4.4	FOREIGN
1-99	100,407	18	37	12.42	0.21	11.57-13.24	19.5	0.0	PRIME
100-499	154,342	237	39	13.15	0.22	12.26-14.25	11.4	1.6	PRIME
500-999	39,618	661	61	11.64	0.23	11.30-12.13	33.2	6.9	OTHER
1000+	1,353,707	7,976	63	11.01	0.20	10.50-11.44	89.1	5.0	FOREIGN
-FLOATING RATE									
BY SIZE (\$1,000)	3,389,301	276	51	11.80	0.09	11.07-12.34	62.8	7.8	PRIME
1-99	230,786	27	48	12.66	0.11	12.13-13.24	38.0	5.3	PRIME
100-499	621,405	224	41	12.09	0.11	11.30-12.75	56.1	5.5	PRIME
500-999	390,277	666	50	11.93	0.10	11.07-12.55	64.7	7.6	PRIME
1000+	2,146,833	4,347	55	11.60	0.11	11.02-12.19	67.0	8.7	PRIME
MONTHS									
TOTAL ONE YEAR AND OVER	5,037,376	267	54	11.64	0.13	11.02-12.28	67.2	6.7	PRIME
2. LOANS MADE BELOW PRIME 11/									
OVERNIGHT 7/	9,746,669	8,137	*	9.94	9.48	10.50	62.5	8.2	
ONE MONTH AND UNDER (EXCL OVERNIGHT)	5,794,384	3,593	13	9.90	9.45	10.50	82.5	13.1	
OVER ONE MONTH AND UNDER A YEAR	5,330,220	725	95	9.96	9.53	10.57	83.3	15.4	
DEMAND 8/	4,662,418	1,679	*	9.87	9.48	10.53	63.5	11.4	
TOTAL UNDER ONE YEAR	25,533,692	1,974	29	9.92	9.48	10.52	71.6	11.4	
-FIXED RATE	19,546,335	2,420	24	9.89	9.45	10.51	71.2	13.2	
-FLOATING RATE	5,987,357	1,232	56	10.02	9.57	10.55	72.8	5.5	
MONTHS									
TOTAL ONE YEAR AND OVER	848,392	368	50	10.26	9.85	10.75	74.5	6.5	
-FIXED RATE	440,310	435	54	10.02	9.64	10.54	84.5	4.0	
-FLOATING RATE	408,081	315	47	10.52	10.07	10.98	63.7	9.3	

E.2

SURVEY OF TERMS OF BANK LENDING MADE DURING AUGUST 7-11, 1989

TABLE 2
COMMERCIAL AND INDUSTRIAL LOANS MADE BY LARGE BANKS 1/

LOAN CHARACTERISTICS	AMOUNT OF LOANS (\$1,000)	AVERAGE SIZE (\$1,000)	WEIGHTED AVERAGE MATURITY 2/ DAYS	LOAN RATE (PERCENT)			PERCENTAGE OF AMOUNT OF LOANS MADE UNDER:		MOST COMMON BASE PRICING RATE 6/
				WEIGHTED AVERAGE EFFECTIVE 3/	STANDARD ERROR 4/	INTER-QUARTILE RANGE 5/	COMMITMENT	PARTICIPATION	
1. ALL C & I LOANS									
OVERNIGHT 7/	6,755,274	6,719	*	10.05	0.09	9.76-10.24	52.3	11.6	OTHER
ONE MONTH AND UNDER (EXCL OVERNIGHT)	5,307,558	3,881	14	10.08	0.06	9.54-10.31	77.7	11.0	OTHER
-FIXED RATE	3,229,647	5,408	16	9.88	0.05	9.59-10.02	72.0	17.6	DOMESTIC
-FLOATING RATE	2,077,910	2,698	12	10.38	0.27	9.52-10.45	86.7	0.8	OTHER
OVER ONE MONTH AND UNDER A YEAR	7,877,280	1,270	95	10.85	0.13	9.89-12.05	82.6	14.3	OTHER
-FIXED RATE	5,639,072	5,498	69	10.77	0.24	9.78-12.12	81.3	15.3	OTHER
-FLOATING RATE	2,238,209	432	159	11.05	0.10	10.15-11.91	85.9	11.7	PRIME
DEMAND 8/	9,899,613	517	*	11.17	0.21	10.19-12.01	72.0	7.4	PRIME
-FIXED RATE	1,460,682	795	*	10.52	0.28	9.73-11.00	88.3	16.4	DOMESTIC
-FLOATING RATE	8,438,932	487	*	11.29	0.23	10.53-12.13	69.2	5.9	PRIME
TOTAL UNDER ONE YEAR	29,839,725	1,076	42	10.64	0.16	9.79-11.57	71.4	10.8	OTHER
-FIXED RATE									
BY SIZE (\$1,000)	16,933,081	3,798	29	10.30	0.12	9.72-10.52	68.4	14.5	OTHER
1-24	9,617	10	96	12.10	0.26	11.50-12.50	33.4	0.0	PRIME
25-49	9,347	32	113	11.93	0.19	11.50-12.50	43.3	0.0	PRIME
50-99	16,966	62	108	11.63	0.27	11.07-12.50	40.2	0.0	PRIME
100-499	134,837	215	54	11.23	0.27	10.75-12.00	68.1	4.1	PRIME
500-999	187,524	671	49	10.35	0.36	9.88-11.50	72.2	12.6	OTHER
1000+	16,574,790	8,049	29	10.29	0.12	9.72-10.51	68.4	14.6	OTHER
-FLOATING RATE									
BY SIZE (\$1,000)	12,906,644	555	85	11.08	0.22	10.06-12.01	75.3	6.0	PRIME
1-24	96,187	11	168	12.34	0.17	11.57-13.24	74.9	0.4	PRIME
25-49	124,901	34	159	12.33	0.10	11.57-12.96	80.8	0.8	PRIME
50-99	206,028	66	178	12.21	0.05	11.57-12.68	87.8	1.0	PRIME
100-499	1,099,176	205	158	11.87	0.05	11.07-12.40	87.6	3.7	PRIME
500-999	691,858	668	175	11.67	0.10	11.02-12.19	83.6	5.1	PRIME
1000+	10,688,494	6,728	75	10.92	0.25	9.86-11.63	73.2	6.5	PRIME
TOTAL ONE YEAR AND OVER	3,499,979	1,233	58	11.43	0.12	10.92-12.13	76.6	7.1	PRIME
-FIXED RATE									
BY SIZE (\$1,000)	1,282,591	2,733	64	11.03	0.22	10.50-11.45	90.0	5.1	FOREIGN
1-99	6,001	25	46	11.99	0.38	11.50-12.75	19.7	0.0	OTHER
100-499	16,003	188	47	12.09	0.27	11.15-13.52	39.1	0.0	OTHER
500-999	10,707	561	73	11.00	0.40	10.58-11.65	66.8	9.9	OTHER
1000+	1,249,879	9,691	64	11.01	0.23	10.50-11.39	91.2	5.1	FOREIGN
-FLOATING RATE									
BY SIZE (\$1,000)	2,217,388	936	54	11.66	0.12	11.02-12.28	68.8	8.3	PRIME
1-99	34,093	36	39	12.62	0.19	11.85-13.24	72.4	6.7	PRIME
100-499	198,016	232	41	11.95	0.16	11.07-12.55	85.0	10.2	PRIME
500-999	161,323	689	48	11.72	0.11	11.02-12.55	84.6	6.1	PRIME
1000+	1,823,956	5,379	56	11.61	0.15	10.92-12.21	65.6	8.3	PRIME
2. LOANS MADE BELOW PRIME 11/									
OVERNIGHT 7/	6,288,829	7,878	*	9.96	9.50	10.50	49.7	12.5	
ONE MONTH AND UNDER (EXCL OVERNIGHT)	4,811,586	7,585	13	9.86	9.41	10.50	82.3	12.6	
OVER ONE MONTH AND UNDER A YEAR	4,240,955	5,947	85	9.87	9.46	10.50	82.5	15.6	
DEMAND 8/	3,502,613	4,056	*	9.97	9.56	10.50	52.5	10.4	
TOTAL UNDER ONE YEAR	18,843,983	6,262	28	9.92	9.48	10.50	65.9	12.8	
-FIXED RATE	13,594,786	6,292	25	9.90	9.47	10.50	64.3	15.8	
-FLOATING RATE	5,249,197	6,185	42	9.95	9.51	10.50	70.2	5.3	
TOTAL ONE YEAR AND OVER	611,374	2,797	50	10.00	9.63	10.50	83.8	6.7	
-FIXED RATE	393,068	2,849	52	9.98	9.61	10.50	89.6	4.3	
-FLOATING RATE	218,307	2,710	46	10.04	9.68	10.50	73.3	11.0	

SEE LAST PAGE FOR FOOTNOTES

E.2

SURVEY OF TERMS OF BANK LENDING MADE DURING AUGUST 7-11, 1989

TABLE 3
COMMERCIAL AND INDUSTRIAL LOANS MADE BY OTHER BANKS 1/

LOAN CHARACTERISTICS	AMOUNT OF LOANS (\$1,000)	AVERAGE SIZE (\$1,000)	WEIGHTED AVERAGE MATURITY 2/	LOAN RATE (PERCENT)			PERCENTAGE OF AMOUNT OF LOANS MADE UNDER:		MOST COMMON BASE PRICING RATE 6/
				WEIGHTED AVERAGE EFFECTIVE 3/	STANDARD ERROR 4/	INTER-QUARTILE RANGE 5/	COMMITMENT	PARTICIPATION	
1. ALL C & I LOANS									
OVERNIGHT 7/	3,511,321	4,759	*	9.93	0.27	9.69-10.03	85.5	0.4	FED FUNDS
ONE MONTH AND UNDER (EXCL OVERNIGHT)	1,350,806	188	15	10.63	0.16	9.96-11.03	78.7	14.3	PRIME
-FIXED RATE	1,015,231	251	13	10.41	0.24	9.87-10.46	78.5	15.0	PRIME
-FLOATING RATE	335,574	107	21	11.30	0.19	10.64-12.13	79.4	12.1	PRIME
OVER ONE MONTH AND UNDER A YEAR	3,731,661	57	156	11.77	0.11	10.92-12.75	64.2	9.0	PRIME
-FIXED RATE	1,466,485	49	107	11.28	0.24	9.71-12.68	59.5	14.2	OTHER
-FLOATING RATE	2,265,175	64	188	12.09	0.10	11.07-12.75	67.2	5.6	PRIME
DEMAND 8/	5,470,188	112	*	11.44	0.12	11.02-12.19	94.3	6.5	PRIME
-FIXED RATE	882,701	380	*	9.55	0.43	9.52-10.52	95.2	15.4	FED FUNDS
-FLOATING RATE	4,587,487	99	*	11.81	0.03	11.07-12.28	94.1	4.8	PRIME
TOTAL UNDER ONE YEAR	14,063,975	115	72	11.07	0.21	9.92-12.13	82.6	6.4	PRIME
-FIXED RATE	6,861,306	184	30	10.23	0.22	9.69-10.45	80.3	7.4	FED FUNDS
BY SIZE (\$1,000)	213,084	7	110	13.10	0.19	12.45-13.80	21.1	0.5	PRIME
1-24	101,945	33	109	12.90	0.23	12.01-13.37	20.5	0.1	PRIME
25-49	135,449	45	113	12.18	0.16	11.37-13.05	26.2	13.5	OTHER
50-99	411,974	182	92	12.13	0.25	10.95-13.03	34.0	13.4	OTHER
100-499	141,231	626	70	10.38	0.34	9.83-10.92	77.5	8.9	PRIME
500-999	5,857,623	6,395	17	9.90	0.13	9.68-10.10	88.1	7.2	FED FUNDS
1000+	7,202,669	85	166	11.88	0.03	11.07-12.55	84.8	5.4	PRIME
-FLOATING RATE	431,294	9	167	12.76	0.08	12.13-13.31	72.2	1.2	PRIME
BY SIZE (\$1,000)	457,609	34	147	12.55	0.11	12.01-13.24	79.7	0.6	PRIME
1-24	690,515	66	183	12.32	0.08	11.63-12.75	84.5	3.4	PRIME
25-49	2,325,004	186	169	12.06	0.07	11.30-12.68	84.6	6.9	PRIME
50-99	913,767	637	165	11.85	0.14	11.03-12.46	74.8	5.7	PRIME
100-499	2,384,480	2,553	159	11.29	0.13	11.02-12.13	92.1	6.1	PRIME
500-999									
1000+									
TOTAL ONE YEAR AND OVER	1,537,397	96	45	12.13	0.13	11.38-12.75	45.7	5.6	PRIME
-FIXED RATE	365,484	59	44	12.32	0.30	11.44-13.80	27.9	2.0	OTHER
BY SIZE (\$1,000)	94,406	17	36	12.44	0.13	11.57-13.24	19.5	0.0	PRIME
1-99	138,338	244	39	13.27	0.34	12.68-14.25	8.1	1.8	PRIME
100-499	28,912	707	56	11.88	0.24	11.57-12.13	20.7	5.8	OTHER
500-999	103,828	2,548	54	11.07	0.38	10.65-11.68	63.7	3.2	OTHER
1000+	1,171,913	118	46	12.07	0.10	11.38-12.68	51.2	6.7	PRIME
-FLOATING RATE	196,693	26	49	12.66	0.12	12.13-13.24	32.0	5.0	PRIME
BY SIZE (\$1,000)	423,390	220	41	12.15	0.17	11.46-12.75	42.6	3.3	PRIME
1-99	228,953	651	51	12.09	0.19	11.35-12.68	50.7	8.7	PRIME
100-499	322,877	2,086	47	11.58	0.16	11.07-12.13	74.7	10.9	PRIME
500-999									
1000+									
MONTHS									
TOTAL ONE YEAR AND OVER									
-FIXED RATE									
BY SIZE (\$1,000)									
1-99									
100-499									
500-999									
1000+									
-FLOATING RATE									
BY SIZE (\$1,000)									
1-99									
100-499									
500-999									
1000+									
DAYS									
TOTAL ONE YEAR AND OVER									
-FIXED RATE									
BY SIZE (\$1,000)									
1-99									
100-499									
500-999									
1000+									
-FLOATING RATE									
BY SIZE (\$1,000)									
1-99									
100-499									
500-999									
1000+									
LOAN RATE (PERCENT)									
				EFFECTIVE 3/	NOMINAL 9/	PRIME RATE 10/			
2. LOANS MADE BELOW PRIME 11/									
OVERNIGHT 7/	3,457,840	8,652	*	9.89	9.44	10.51	85.8	0.4	
ONE MONTH AND UNDER (EXCL OVERNIGHT)	982,798	1,005	13	10.08	9.61	10.53	83.1	15.8	
OVER ONE MONTH AND UNDER A YEAR	1,089,265	164	132	10.27	9.82	10.84	86.6	14.3	
DEMAND 8/	1,159,806	606	*	9.59	9.23	10.60	96.5	14.4	
TOTAL UNDER ONE YEAR	6,689,709	674	30	9.93	9.49	10.58	87.4	7.3	
-FIXED RATE	5,951,549	1,006	20	9.86	9.42	10.54	86.9	7.3	
-FLOATING RATE	738,160	184	147	10.48	10.02	10.92	91.4	7.3	
MONTHS									
TOTAL ONE YEAR AND OVER	237,017	113	53	10.92	10.41	11.39	50.5	6.2	
-FIXED RATE	47,243	54	68	10.37	9.96	10.83	42.5	1.3	
-FLOATING RATE	189,775	156	49	11.06	10.52	11.53	52.5	7.4	

SEE LAST PAGE FOR FOOTNOTES

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)	\$1,002,701	\$135,127	\$161,685	\$135,799	\$171,083	\$146,598	\$252,409
Number of loans	56,305	36,956	11,118	3,987	2,607	1,082	556
Weighted average maturity (months) ²	11.4	7.7	7.8	10.2	11.6	14.3	16.0
Weighted average interest rate (%) ³	12.49	12.96	12.90	12.70	12.47	12.54	11.84
Standard error ⁴	.37	.31	.24	.35	.33	.63	.46
Interquartile range ⁵	11.79-13.24	12.36-13.55	12.13-13.60	12.12-13.31	11.94-12.98	11.68-13.31	11.07-12.75
By purpose of loan:							
Feeder livestock	12.00	12.77	13.04	12.14	12.20	12.39	11.56
Other livestock	12.73	12.90	13.17	12.81	13.79	13.06	12.27
Other current operating expenses	12.69	12.99	12.87	12.98	12.36	12.58	11.89
Farm machinery and equipment	12.89	13.04	13.18	12.67	12.73	*	*
Farm real estate	12.34	12.47	12.18	12.30	*	*	*
Other	12.18	12.96	12.63	12.32	12.19	12.11	11.78
Percentage of amount of loans:							
With floating rates	64.4	53.6	58.0	64.4	62.4	87.4	62.4
Made under commitment	58.5	47.9	53.9	53.6	53.5	64.2	69.9
By purpose of loan:							
Feeder livestock	21.7	7.0	10.5	12.9	22.1	21.1	41.7
Other livestock	13.5	6.0	9.7	10.2	7.0	15.7	25.0
Other current operating expenses	44.4	72.9	61.9	50.4	43.8	41.7	16.8
Farm machinery and equipment	5.0	7.1	7.6	6.8	10.7	*	*
Farm real estate	4.8	1.8	3.8	9.7	*	*	*
Other	10.5	5.2	6.4	10.2	13.0	17.4	10.3
LARGE FARM LENDERS¹²							
Amount of loans (thousands)	\$374,612	\$20,189	\$29,975	\$38,628	\$44,691	\$74,898	\$166,233
Number of loans	9,822	5,257	2,015	1,128	679	492	253
Weighted average maturity (months) ²	8.9	5.8	6.8	7.4	7.0	11.9	9.2
Weighted average interest rate (%) ³	12.01	12.91	12.60	12.48	12.20	12.15	11.58
Standard error ⁴	.32	.28	.11	.17	.09	.47	.33
Interquartile range ⁵	11.07-12.75	12.19-13.31	12.01-13.08	11.91-13.03	11.63-12.75	11.63-12.75	11.02-12.13
By purpose of loan:							
Feeder livestock	11.61	12.70	12.49	12.27	12.07	12.41	11.32
Other livestock	11.94	12.75	12.83	12.91	12.50	12.16	*
Other current operating expenses	12.30	12.90	12.51	12.58	12.26	12.20	11.91
Farm machinery and equipment	12.80	13.30	12.83	*	*	*	*
Farm real estate	12.28	12.70	12.81	*	*	*	*
Other	12.03	13.00	12.81	12.16	12.09	11.93	11.78
Percentage of amount of loans:							
With floating rates	85.5	89.1	88.5	92.4	93.0	94.1	77.0
Made under commitment	89.4	88.9	87.4	87.6	92.8	84.4	91.5
By purpose of loan:							
Feeder livestock	28.5	5.5	9.7	17.4	21.1	15.3	45.2
Other livestock	11.8	4.7	5.9	9.1	5.5	13.3	*
Other current operating expenses	37.1	71.6	60.7	48.6	52.7	37.2	21.6
Farm machinery and equipment	1.1	3.0	3.5	*	*	*	*
Farm real estate	1.9	1.8	1.8	*	*	*	*
Other	19.7	13.3	18.4	20.7	18.6	30.8	15.7
OTHER BANKS¹²							
Amount of loans (thousands)	\$628,089	\$114,939	\$131,710	\$97,172	\$126,392	\$71,700	\$86,176
Number of loans	46,483	31,699	9,103	2,859	1,929	590	304
Weighted average maturity (months) ²	12.4	8.0	7.9	11.1	12.8	16.4	22.8
Weighted average interest rate (%) ³	12.77	12.97	12.97	12.79	12.56	12.95	12.35
Standard error ⁴	.18	.12	.21	.30	.32	.41	.32
Interquartile range ⁵	12.09-13.31	12.36-13.60	12.19-13.88	12.19-13.31	12.04-13.05	12.17-13.31	11.79-12.75
By purpose of loan:							
Feeder livestock	12.38	12.78	13.16	12.06	12.25	*	*
Other livestock	13.12	12.92	13.21	12.78	*	*	*
Other current operating expenses	12.87	13.00	12.95	13.13	12.40	12.89	*
Farm machinery and equipment	12.90	13.02	13.22	12.66	12.74	*	*
Farm real estate	12.35	12.43	*	*	*	*	*
Other	12.55	12.94	*	*	*	*	*
Percentage of amount of loans:							
With floating rates	51.9	47.3	51.1	53.3	51.5	80.5	*
Made under commitment	40.1	40.7	46.3	40.1	39.6	43.1	*
By purpose of loan:							
Feeder livestock	17.7	7.3	10.7	11.1	22.5	*	*
Other livestock	14.5	6.2	10.6	10.6	*	*	*
Other current operating expenses	48.8	73.1	62.2	51.0	40.7	46.4	*
Farm machinery and equipment	7.4	7.8	8.6	8.3	14.4	*	*
Farm real estate	6.5	1.8	*	*	*	*	*
Other	5.0	3.8	*	*	*	*	*

See last page for notes to tables

*Fewer than 10 sample loans

NOTES

The Survey of Terms of Bank Lending to Business collects data on gross loan extensions made during the first full business week in the mid-month of each quarter by a sample of 340 commercial banks of all sizes. A sample of 250 banks reports loans to farmers. The sample data are blown up to estimate the lending terms at all insured commercial banks during that week. The estimated terms of bank lending are not intended for use in collecting the terms of loans extended over the entire quarter or residing in the portfolios of those banks. Mortgage loans, purchased loans, foreign loans, and loans of less than \$1,000 are excluded from the survey.

1. As of December 31, 1988, assets of most of the large banks were at least \$6.0 billion. For all insured banks, total assets averaged \$220 million.
2. Average maturities are weighted by loan size and exclude demand loans.
3. Effective (compounded) annual interest rates are calculated from the stated rate and other terms of the loan and weighted by loan size.
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. The most common base rate is that rate used to price the largest dollar volume of loans. Base pricing rates include the prime rate (sometimes referred to as a bank's "basic" or "reference" rate); the federal funds rate; domestic money market rates other than the federal funds rate; foreign money market rates; and other base rates not included in the foregoing classifications.
7. Overnight loans mature on the business day after they are made.
8. Demand loans have no stated date of maturity.
9. Nominal (not compounded) annual interest rates are calculated from survey data on the stated rate and other terms of the loan and weighted by loan size.
10. The prime rate reported by each bank is weighted by the volume of loans extended and then averaged.
11. The proportion of loans made at rates below prime may vary substantially from the proportion of such loans outstanding in banks' portfolios.
12. Among banks reporting loans to farmers (Table 4), most "large banks" (survey strata 1 and 2) had over \$20 million in farm loans, most "other banks" (survey strata 3 to 5) had farm loans below \$20 million.

:

NOTE:

The reporting forms for the Surveys of Terms of Bank Lending to Business and to Farmers have been revised, effective with the August survey period. The changes have two major consequences for this release. First, the table on construction and land development loans has been discontinued because data on these loans are no longer collected.

Second, the table containing data on agricultural loans will be published in a separate statistical release, effective with the November survey. In addition, the reporting panel for this series has been redrawn and stratified by volume of loans to farmers. The universe of banks used for generating nationwide estimates from the survey data has been redefined to include insured commercial banks with significant volume of farm lending.

There is a fee of \$5.00 per year for subscriptions to each of these statistical releases. To assure continued receipt of the E.2 (Terms of Bank Lending to Business) or to request the new release (Terms of Bank Lending to Farmers), please contact Publications, stop # 138, Board of Governors of the Federal Reserve System, Washington, D.C. 20551, or call (202) 452-3245.