

FEDERAL RESERVE statistical release



FOR IMMEDIATE RELEASE
DECEMBER 14, 1990

E.2

SURVEY OF TERMS OF BANK LENDING MADE DURING NOVEMBER 5-9, 1990

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/	9,662,879	5,132	*	8.96	0.11	8.58-9.14	76.6	4.3	FED FUNDS
ONE MONTH AND UNDER (EXCL OVERNIGHT)	9,615,512	973	18	9.21	0.09	8.67-9.51	83.0	7.0	OTHER
-FIXED RATE	7,517,999	1,192	18	9.06	0.10	8.67-9.48	81.2	7.4	OTHER
-FLOATING RATE	2,097,513	587	18	9.75	0.28	8.73-10.51	89.3	5.2	DOMESTIC
OVER ONE MONTH AND UNDER A YEAR	11,129,241	160	145	10.14	0.22	8.91-11.30	80.3	10.7	PRIME
-FIXED RATE	5,004,619	172	112	9.85	0.24	8.95-10.81	76.4	14.9	OTHER
-FLOATING RATE	6,124,622	152	173	10.37	0.26	8.81-11.52	83.4	7.4	PRIME
DEMAND 8/	11,821,829	197	*	10.53	0.18	9.25-11.57	80.7	5.6	PRIME
-FIXED RATE	2,010,662	353	*	9.33	0.28	8.52-9.92	79.2	3.0	OTHER
-FLOATING RATE	9,811,168	181	*	10.77	0.18	10.25-11.63	81.0	6.2	PRIME
TOTAL UNDER ONE YEAR	42,229,460	299	59	9.77	0.14	8.72-10.54	80.2	7.0	PRIME
-FIXED RATE									
BY SIZE (\$1,000)	24,196,158	563	32	9.21	0.11	8.63-9.50	78.2	7.3	OTHER
1-24	192,991	7	129	12.54	0.20	11.51-13.29	26.3	0.0	OTHER
25-49	100,429	33	128	11.51	0.27	11.00-12.57	24.2	3.0	PRIME
50-99	158,689	62	132	11.64	0.26	11.07-12.68	31.0	0.5	OTHER
100-499	662,706	190	111	11.05	0.35	10.33-12.01	51.0	12.5	OTHER
500-999	470,892	651	70	10.17	0.22	9.11-11.02	77.8	5.4	OTHER
1000+	22,610,450	6,480	28	9.08	0.11	8.60-9.38	80.1	7.4	OTHER
-FLOATING RATE									
BY SIZE (\$1,000)	18,033,302	184	133	10.52	0.20	9.21-11.57	82.8	6.5	PRIME
1-24	457,897	10	173	12.12	0.13	11.46-12.75	76.2	0.8	PRIME
25-49	541,436	34	152	11.88	0.10	11.11-12.56	79.7	2.7	PRIME
50-99	864,207	66	175	11.62	0.08	11.00-12.19	84.6	3.8	PRIME
100-499	3,321,885	197	156	11.35	0.04	10.52-11.91	86.7	7.6	PRIME
500-999	1,667,147	652	201	11.06	0.09	10.47-11.63	88.5	8.6	PRIME
1000+	11,180,731	4,339	117	9.97	0.20	8.70-10.93	81.1	6.4	PRIME
TOTAL ONE YEAR AND OVER	4,472,762	210							
-FIXED RATE									
MONTHS									
50				10.82	0.15	10.00-11.63	79.3	11.7	PRIME
BY SIZE (\$1,000)	1,303,664	119	62	10.46	0.28	9.11-11.49	61.0	4.2	OTHER
1-99	186,228	19	96	12.30	0.18	11.49-13.24	14.0	6.1	OTHER
100-499	170,640	187	143	11.28	0.21	10.80-11.91	40.7	4.5	NONE
500-999	21,984	661	50	11.10	0.29	10.50-11.57	61.6	0.0	PRIME
1000+	924,811	4,085	49	9.92	0.33	8.90-11.00	74.2	3.9	DOMESTIC
-FLOATING RATE									
BY SIZE (\$1,000)	3,169,098	305	45	10.96	0.17	10.38-12.01	86.8	14.8	PRIME
1-99	190,343	26	43	12.06	0.12	11.30-12.75	58.7	4.1	PRIME
100-499	462,578	215	60	11.25	0.11	10.47-11.73	72.3	13.9	PRIME
500-999	255,716	665	39	11.04	0.10	10.47-11.57	84.7	15.1	PRIME
1000+	2,280,462	3,433	42	10.80	0.20	10.00-11.91	92.2	15.8	PRIME
2. LOANS MADE BELOW PRIME 11/									
OVERNIGHT 7/	8,895,731	7,298	*	8.82		8.45	10.00	75.8	5.0
ONE MONTH AND UNDER (EXCL OVERNIGHT)	8,455,158	4,824	17	8.91		8.55	10.00	83.1	7.3
OVER ONE MONTH AND UNDER A YEAR	6,098,468	617	137	9.04		8.73	10.08	86.8	12.3
DEMAND 8/	3,907,308	1,054	*	8.96		8.70	10.09	68.3	4.3
TOTAL UNDER ONE YEAR	27,356,665	1,652	42	8.92		8.58	10.03	79.4	7.3
-FIXED RATE	21,126,152	2,139	28	8.90		8.55	10.01	79.0	7.9
-FLOATING RATE	6,230,513	933	113	8.98		8.67	10.08	80.8	4.9
TOTAL ONE YEAR AND OVER	1,162,938	360							
-FIXED RATE	590,555	285							
-FLOATING RATE	572,383	496							
MONTHS									
50				9.15		8.84	10.16	86.7	12.8
44				9.09		8.83	10.14	89.0	13.5
56				9.20		8.86	10.18	84.3	12.1

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SURVEY OF TERMS OF BANK LENDING MADE DURING NOVEMBER 5-9, 1990

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/	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/	7,771,693	6,515	*	9.04	0.18	8.66-9.19	71.1	4.8	FED FUNDS
ONE MONTH AND UNDER (EXCL OVERNIGHT)	6,896,330	4,161	17	9.19	0.11	8.67-9.52	81.4	5.7	OTHER
-FIXED RATE	5,195,998	5,350	18	9.07	0.18	8.67-9.51	78.0	5.8	OTHER
-FLOATING RATE	1,700,332	2,478	16	9.53	0.34	8.69-10.47	91.9	5.6	DOMESTIC
OVER ONE MONTH AND UNDER A YEAR	6,181,414	1,125	124	9.79	0.26	8.79-10.54	90.1	13.6	FOREIGN
-FIXED RATE	2,936,542	3,256	87	9.75	0.27	8.98-10.20	87.0	19.3	OTHER
-FLOATING RATE	3,244,872	706	158	9.83	0.41	8.64-10.81	93.0	8.4	PRIME
DEMAND 8/	6,718,095	337	*	10.29	0.31	8.94-11.46	73.5	6.1	PRIME
-FIXED RATE	1,246,081	887	*	9.07	0.29	8.41-9.45	81.7	4.6	DOMESTIC
-FLOATING RATE	5,472,014	296	*	10.56	0.30	9.75-11.57	71.6	6.4	PRIME
TOTAL UNDER ONE YEAR	27,567,532	976	43	9.55	0.19	8.70-10.47	78.5	7.3	OTHER
-FIXED RATE									
BY SIZE (\$1,000)	17,150,314	3,836	22	9.17	0.18	8.67-9.45	76.7	7.6	OTHER
1-24	6,533	10	112	11.47	0.26	10.79-12.00	33.9	0.5	PRIME
25-49	8,653	33	92	11.21	0.44	11.00-11.94	37.0	0.8	PRIME
50-99	13,839	66	83	10.68	0.21	10.38-11.50	54.9	1.5	PRIME
100-499	146,842	230	53	10.06	0.40	9.09-11.00	69.2	1.9	PRIME
500-999	224,448	664	41	9.85	0.26	9.11-10.52	75.7	7.8	OTHER
1000+	16,749,999	7,159	22	9.15	0.18	8.67-9.42	76.8	7.6	OTHER
-FLOATING RATE									
BY SIZE (\$1,000)	10,417,218	438	109	10.17	0.32	8.77-11.29	81.6	6.9	PRIME
1-24	95,545	11	179	11.60	0.18	10.75-12.19	83.4	0.6	PRIME
25-49	125,306	34	162	11.53	0.13	10.75-12.13	89.9	1.1	PRIME
50-99	251,836	67	158	11.42	0.12	10.75-12.00	90.8	2.3	PRIME
100-499	1,089,944	201	160	11.12	0.06	10.47-11.63	89.3	4.5	PRIME
500-999	628,414	663	161	10.84	0.07	10.47-11.50	91.8	9.7	PRIME
1000+	8,226,173	5,184	102	9.91	0.37	8.68-11.02	79.4	7.3	PRIME
MONTHS									
TOTAL ONE YEAR AND OVER	2,702,411	886	40	10.57	0.26	9.42-11.57	92.1	12.1	PRIME
-FIXED RATE									
BY SIZE (\$1,000)	471,544	1,072	45	9.60	0.51	8.36-10.96	89.0	4.5	OTHER
1-99	7,483	26	48	11.57	0.33	10.69-12.46	38.5	2.5	NOHE
100-499	13,547	245	62	10.30	0.23	9.73-10.51	60.7	14.4	NOHE
500-999	13,449	704	55	11.08	0.28	10.47-11.44	71.9	0.0	PRIME
1000+	437,066	5,399	44	9.49	0.65	8.36-10.77	91.2	4.4	OTHER
-FLOATING RATE									
BY SIZE (\$1,000)	2,230,867	855	39	10.78	0.27	10.00-11.85	92.8	13.8	PRIME
1-99	36,922	38	34	11.86	0.17	11.02-12.55	79.4	7.2	PRIME
100-499	221,859	231	40	11.24	0.12	10.47-11.85	83.7	11.5	PRIME
500-999	175,639	669	36	11.11	0.12	10.47-11.73	86.7	18.6	PRIME
1000+	1,796,447	4,309	39	10.67	0.31	10.00-11.63	94.8	13.7	PRIME
DAYS									
LOAN RATE (PERCENT)									
				EFFECTIVE 3/	NOMINAL 9/	PRIME RATE 10/			
2. LOANS MADE BELOW PRIME 11/									
OVERNIGHT 7/	7,036,229	7,689	*	8.88	8.51	10.00	69.5	5.8	
ONE MONTH AND UNDER (EXCL OVERNIGHT)	6,037,689	6,204	16	8.88	8.52	10.00	80.3	5.7	
OVER ONE MONTH AND UNDER A YEAR	4,152,477	4,711	123	9.07	8.77	10.00	90.1	13.4	
DEMAND 8/	2,576,793	2,749	*	8.79	8.57	10.00	55.8	3.5	
TOTAL UNDER ONE YEAR	19,803,187	5,342	36	8.91	8.57	10.00	75.3	7.1	
-FIXED RATE	15,123,677	5,780	21	8.93	8.58	10.00	75.3	8.1	
-FLOATING RATE	4,679,510	4,292	100	8.84	8.56	10.00	75.3	3.7	
MONTHS									
TOTAL ONE YEAR AND OVER	773,271	2,779	42	8.84	8.59	10.00	94.6	12.9	
-FIXED RATE	309,570	3,116	46	8.75	8.60	10.00	96.8	16.7	
-FLOATING RATE	463,701	2,592	39	8.90	8.58	10.00	93.1	10.3	

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E.2

SURVEY OF TERMS OF BANK LENDING MADE DURING NOVEMBER 5-9, 1990

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/	1,891,186	2,740	*	8.63	0.08	8.39-8.86	99.5	2.1	FED FUNDS
ONE MONTH AND UNDER (EXCL OVERNIGHT)	2,719,182	330	20	9.29	0.13	8.61-9.50	87.0	10.1	DOMESTIC
-FIXED RATE	2,322,001	455	19	9.05	0.10	8.57-9.46	88.5	11.2	DOMESTIC
-FLOATING RATE	397,181	137	23	10.68	0.23	9.33-11.58	78.0	3.9	PRIME
OVER ONE MONTH AND UNDER A YEAR	4,947,827	77	172	10.58	0.32	9.08-11.76	68.0	7.1	PRIME
-FIXED RATE	2,068,077	73	146	10.00	0.39	8.87-11.57	61.5	8.5	OTHER
-FLOATING RATE	2,879,750	81	191	10.99	0.27	10.47-11.85	72.7	6.1	PRIME
DEMAND 8/	5,103,734	128	*	10.85	0.12	10.25-11.63	90.2	5.0	PRIME
-FIXED RATE	764,580	178	*	9.76	0.41	8.84-10.47	75.3	0.4	OTHER
-FLOATING RATE	4,339,154	122	*	11.04	0.14	10.47-11.63	92.9	5.8	PRIME
TOTAL UNDER ONE YEAR	14,661,928	130	95	10.18	0.08	8.79-11.43	83.3	6.3	PRIME
-FIXED RATE									
BY SIZE (\$1,000)	7,045,844	183	55	9.29	0.14	8.49-9.53	82.1	6.8	OTHER
1-24	186,459	6	129	12.57	0.16	11.57-13.31	26.1	0.0	OTHER
25-49	91,776	33	129	11.54	0.29	11.07-12.57	23.0	3.3	OTHER
50-99	144,850	62	134	11.73	0.34	11.30-12.75	28.7	0.4	OTHER
100-499	515,864	181	123	11.33	0.12	10.50-12.19	45.8	15.5	OTHER
500-999	246,444	640	93	10.47	0.37	9.11-12.06	79.6	3.3	PRIME
1000+	5,860,451	5,098	44	8.86	0.13	8.45-9.11	89.4	6.6	FED FUNDS
-FLOATING RATE									
BY SIZE (\$1,000)	7,616,084	102	170	11.00	0.14	10.47-11.80	84.5	5.8	PRIME
1-24	362,352	9	173	12.26	0.07	11.57-12.75	74.3	0.8	PRIME
25-49	416,130	35	151	11.98	0.06	11.36-12.68	76.7	3.2	PRIME
50-99	612,371	66	178	11.70	0.07	11.03-12.19	82.0	4.4	PRIME
100-499	2,231,941	195	157	11.46	0.06	10.75-12.13	85.5	9.2	PRIME
500-999	1,038,732	646	220	11.19	0.15	10.47-12.13	86.5	7.9	PRIME
1000+	2,954,558	2,984	164	10.15	0.17	9.14-10.93	85.8	3.9	PRIME
MONTHS									
TOTAL ONE YEAR AND OVER	1,770,351	97	64	11.19	0.13	10.47-11.91	59.7	11.0	PRIME
-FIXED RATE									
BY SIZE (\$1,000)	832,120	79	71	10.95	0.20	9.96-11.63	45.1	4.1	PRIME
1-99	178,746	19	54	12.33	0.17	11.49-13.24	13.0	6.3	OTHER
100-499	157,094	183	150	11.37	0.20	11.02-11.91	39.0	3.6	NONE
500-999	8,535	602	43	11.14	0.71	10.57-11.57	45.4	0.0	PRIME
1000+	487,745	3,354	53	10.31	0.27	9.11-11.35	58.9	3.4	PRIME
-FLOATING RATE									
BY SIZE (\$1,000)	938,231	121	58	11.40	0.16	10.52-12.13	72.5	17.2	PRIME
1-99	153,421	24	46	12.11	0.11	11.30-12.75	53.7	3.4	PRIME
100-499	220,719	201	80	11.27	0.18	10.47-11.63	60.8	16.4	PRIME
500-999	80,076	658	45	10.90	0.17	10.50-11.57	80.3	7.4	PRIME
1000+	484,015	1,957	21	11.31	0.27	10.52-12.19	82.6	23.5	PRIME
DAYS									
				LOAN RATE (PERCENT)		PRIME RATE 10/			
				EFFECTIVE 3/	NOMINAL 9/				
2. LOANS MADE BELOW PRIME 11/									
OVERNIGHT 7/	1,859,502	6,121	*	8.59		8.24	10.00	99.6	2.2
ONE MONTH AND UNDER (EXCL OVERNIGHT)	2,417,469	3,101	19	8.97		8.61	10.01	90.0	11.4
OVER ONE MONTH AND UNDER A YEAR	1,945,991	216	168	8.98		8.65	10.24	79.7	9.9
DEMAND 8/	1,330,516	481	*	9.30		8.95	10.26	92.4	5.7
TOTAL UNDER ONE YEAR	7,553,478	588	60	8.94		8.59	10.11	90.2	7.7
-FIXED RATE	6,002,475	827	45	8.82		8.48	10.05	88.3	7.5
-FLOATING RATE	1,551,003	278	167	9.39		9.01	10.33	97.3	8.6
MONTHS									
TOTAL ONE YEAR AND OVER	389,666	132	66	9.75		9.34	10.48	71.0	12.7
-FIXED RATE	280,985	142	42	9.47		9.07	10.30	80.5	9.9
-FLOATING RATE	108,682	111	129	10.50		10.03	10.92	46.6	19.9

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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)	\$1,949,950	\$126,966	\$157,314	\$190,582	\$227,141	\$220,261	\$1,027,687
Number of loans	55,958	34,346	10,440	5,373	3,351	1,544	905
Weighted average maturity (months) ²	8.5	6.5	8.9	7.9	14.2	27.4	3.5
Weighted average interest rate (%) ³	11.51	12.53	12.31	12.15	11.88	11.67	13.03
Standard error ⁴	.67	.22	.38	.32	.19	.30	1.25
Interquartile range ⁵	10.52-12.19	12.01-13.01	11.63-12.89	11.57-12.75	11.35-12.47	11.00-12.19	10.52-11.85
By purpose of loan:							
Feeder livestock	11.62	12.56	12.22	12.01	11.85	11.61	11.40
Other livestock	12.23	12.83	12.41	12.49	12.18	12.24	11.85
Other current operating expenses	11.74	12.45	12.32	12.27	11.60	11.46	13.09
Farm machinery and equipment	12.35	12.67	12.53	12.28	*	*	*
Farm real estate	11.50	12.51	11.82	11.50	11.29	*	*
Other	10.78	12.51	12.47	12.21	12.16	11.31	10.52
Percentage of amount of loans:							
With floating rates	58.5	54.4	48.6	55.3	57.9	85.7	55.4
Made under commitment	63.0	51.8	54.4	60.3	53.3	69.6	66.9
By purpose of loan:							
Feeder livestock	33.2	10.5	17.2	32.2	41.5	38.7	35.5
Other livestock	8.4	12.5	13.5	8.3	16.1	13.8	4.3
Other current operating expenses	25.7	64.2	45.7	38.1	17.8	27.5	17.0
Farm machinery and equipment	2.3	6.6	10.0	5.9	*	*	*
Farm real estate	6.6	1.7	6.8	6.1	9.1	*	*
Other	23.9	4.6	6.9	9.4	12.2	8.6	37.4
LARGE FARM LENDERS¹²							
Amount of loans (thousands)	\$1,192,264	\$15,505	\$31,472	\$44,314	\$61,036	\$110,509	\$929,429
Number of loans	9,480	3,850	2,091	1,260	903	721	654
Weighted average maturity (months) ²	3.7	7.1	7.0	7.9	8.8	7.8	2.6
Weighted average interest rate (%) ³	11.11	12.17	11.92	11.76	11.68	11.33	10.98
Standard error ⁴	.65	.21	.38	.28	.19	.21	1.12
Interquartile range ⁵	10.52-11.85	11.59-12.75	11.39-12.47	11.20-12.19	11.07-12.19	10.66-11.76	10.62-11.57
By purpose of loan:							
Feeder livestock	11.48	12.17	11.94	11.88	11.72	11.51	11.42
Other livestock	11.39	12.17	11.87	11.48	11.91	11.26	*
Other current operating expenses	11.21	12.19	11.95	11.72	11.59	11.13	11.00
Farm machinery and equipment	12.13	12.69	12.17	*	*	*	*
Farm real estate	11.60	11.70	11.89	11.70	*	*	*
Other	10.59	12.09	11.78	11.66	11.39	11.18	10.52
Percentage of amount of loans:							
With floating rates	61.4	83.5	84.4	90.7	87.7	95.0	63.2
Made under commitment	68.9	80.8	77.8	81.6	75.7	82.8	65.7
By purpose of loan:							
Feeder livestock	34.7	16.0	21.6	34.7	41.9	41.1	34.2
Other livestock	2.0	2.8	4.4	2.5	6.6	7.0	*
Other current operating expenses	22.8	59.1	50.9	40.0	30.9	38.4	17.9
Farm machinery and equipment	.4	4.8	2.6	*	*	*	*
Farm real estate	5.3	4.0	6.9	7.8	*	*	*
Other	34.8	13.4	13.5	13.7	10.8	10.4	61.3
OTHER BANKS¹¹							
Amount of loans (thousands)	\$757,686	\$111,461	\$125,843	\$146,268	\$166,106	\$109,752	\$98,257
Number of loans	46,479	30,496	8,348	4,113	2,848	823	251
Weighted average maturity (months) ²	14.4	6.4	9.2	7.9	15.8	44.2	12.8
Weighted average interest rate (%) ³	12.14	12.58	12.41	12.27	11.96	12.01	11.54
Standard error ⁴	.10	.05	.04	.14	.16	.21	.52
Interquartile range ⁵	11.51-12.75	12.08-13.03	11.83-12.97	11.63-12.86	11.46-12.47	11.27-12.66	10.72-12.19
By purpose of loan:							
Feeder livestock	11.88	12.65	12.31	12.06	12.04	11.73	*
Other livestock	12.37	12.85	12.45	12.57	12.22	*	*
Other current operating expenses	12.37	12.48	12.42	12.44	11.60	*	*
Farm machinery and equipment	12.37	12.67	12.55	12.31	*	*	*
Farm real estate	11.40	12.84	11.81	*	*	*	*
Other	12.38	12.75	12.92	12.49	*	*	*
Percentage of amount of loans:							
With floating rates	53.8	50.4	39.6	44.6	47.0	74.4	*
Made under commitment	53.6	47.7	48.5	53.8	45.1	56.2	*
By purpose of loan:							
Feeder livestock	30.7	9.7	16.1	31.5	41.4	36.2	*
Other livestock	18.4	13.9	15.8	10.0	19.6	*	*
Other current operating expenses	30.3	64.9	44.4	37.6	13.0	*	*
Farm machinery and equipment	5.2	6.9	11.8	7.3	*	*	*
Farm real estate	8.7	1.3	6.7	*	*	*	*
Other	6.7	3.4	5.2	8.1	*	*	*

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. Beginning in 1986, the survey of terms of bank lending to farmers includes loans secured by farm real estate. In addition, the categories describing the purpose of farm loans were expanded to include "purchase or improve farm real estate." In previous surveys, the purpose of such loans was reported as "other."

1. As of December 31, 1989, assets of most of the large banks were at least \$7.0 billion. For all insured banks, total assets averaged \$250 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 loans 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.