

# FEDERAL RESERVE statistical release



APR 4 1991

E.2A **SURVEY OF TERMS OF BANK LENDING MADE DURING FEBRUARY 4-8, 1991** FEDERAL RESERVE BANK OF PHILADELPHIA For Immediate Release March 28, 1991

		Size class of loans (thousands)						
		all sizes	\$1-9	\$10-24	\$25-49	\$50-99	\$100-249	\$250 and over
<b>ALL BANKS</b>								
1	Amount of loans (thousands)	1,985,617	116,750	141,849	138,094	216,531	277,518	1,094,875
2	Number of loans	50,539	31,176	9,534	3,984	3,220	1,874	752
3	Weighted average maturity (months) <sup>1</sup>	10.1	8.4	10.3	17.6	12.9	26.3	3.6
4	Weighted average interest rate (percent) <sup>2</sup>	10.43	11.93	11.76	11.36	11.44	11.23	9.58
5	Standard error <sup>3</sup>	0.37	0.15	0.09	0.14	0.21	0.20	0.45
6	Interquartile range <sup>4</sup>	9.42 - 11.59	11.29 - 12.58	11.07 - 12.56	10.52 - 12.19	10.47 - 12.49	10.25 - 12.19	9.31 - 10.26
	By purpose of loan							
7	Feeder livestock	10.71	11.49	11.76	11.29	11.11	10.86	10.43
8	Other livestock	10.95	12.18	12.37	12.02	11.89	11.06	10.16
9	Other current operating expenses	10.76	11.94	11.77	11.23	11.45	11.44	8.81
10	Farm machinery and equipment	11.95	12.32	11.70	11.85	12.08	10.47	12.19
11	Farm real estate	11.36	12.03	11.47	11.36	11.02	11.70	10.00
12	Other	9.46	11.82	11.47	11.39	11.18	10.61	9.20
	Percentage of the amount of loans							
13	With floating rates	61.3	51.8	65.7	66.5	66.5	77.8	55.8
14	Made under commitment	77.0	47.8	54.8	55.5	52.2	62.3	94.3
	By purpose of loan							
15	Feeder livestock	24.9	16.4	13.9	24.7	24.5	23.6	27.6
16	Other livestock	9.8	10.7	7.8	6.1	20.3	5.0	9.5
17	Other current operating expenses	29.9	55.1	53.8	46.0	35.6	51.2	15.5
18	Farm machinery and equipment	2.3	10.1	9.7	6.1	4.9	0.4	0.1
19	Farm real estate	3.4	1.9	6.7	7.8	5.0	10.2	0.6
20	Other	29.7	5.9	8.2	9.3	9.7	9.6	46.7
<b>LARGE FARM LENDERS<sup>5</sup></b>								
21	Amount of loans (thousands)	1,231,584	17,749	34,749	45,066	59,673	111,752	962,595
22	Number of loans	10,305	4,499	2,310	1,306	896	728	566
23	Weighted average maturity (months) <sup>1</sup>	4.6	8.8	9.4	11.0	10.3	13.0	2.7
24	Weighted average interest rate (percent) <sup>2</sup>	9.69	11.23	10.92	10.80	10.58	10.42	9.42
25	Standard error <sup>3</sup>	0.37	0.09	0.10	0.08	0.09	0.12	0.45
26	Interquartile range <sup>4</sup>	9.31 - 10.62	10.78 - 12.47	10.52 - 11.75	10.25 - 11.51	10.10 - 11.35	9.96 - 11.07	9.65 - 11.07
	By purpose of loan							
27	Feeder livestock	10.28	11.11	10.99	10.81	10.53	10.03	10.25
28	Other livestock	10.22	11.42	11.07	10.99	10.49	10.58	9.95
29	Other current operating expenses	9.56	11.30	10.93	10.79	10.59	10.69	8.69
30	Farm machinery and equipment	11.33	11.65	11.38	11.35	11.27	10.47	12.19
31	Farm real estate	10.55	10.68	10.69	10.61	10.66	10.82	10.00
32	Other	9.32	11.00	10.76	10.75	10.54	10.26	9.20
	Percentage of the amount of loans							
33	With floating rates	59.5	87.2	89.4	88.0	88.5	95.0	50.6
34	Made under commitment	93.8	84.4	81.3	82.2	88.6	89.0	95.8
	By purpose of loan							
35	Feeder livestock	26.9	13.0	14.8	27.3	25.9	28.7	27.4
36	Other livestock	2.0	4.1	3.8	3.4	4.5	1.6	1.7
37	Other current operating expenses	22.8	63.6	52.0	39.9	37.5	41.8	17.0
38	Farm machinery and equipment	0.6	2.7	5.3	3.4	2.2	1.0	0.1
39	Farm real estate	2.2	3.9	8.5	8.5	8.6	7.1	0.6
40	Other	45.6	12.6	15.5	17.6	21.3	19.8	53.1
<b>OTHER BANKS<sup>5</sup></b>								
41	Amount of loans (thousands)	754,033	89,001	107,100	93,028	156,859	165,766	132,280
42	Number of loans	40,234	26,677	7,223	2,677	2,324	1,146	186
43	Weighted average maturity (months) <sup>1</sup>	16.5	8.4	10.5	19.6	13.6	32.8	8.3
44	Weighted average interest rate (percent) <sup>2</sup>	11.64	12.05	12.04	11.63	11.77	11.77	10.70
45	Standard error <sup>3</sup>	0.19	0.18	0.12	0.16	0.26	0.16	0.52
46	Interquartile range <sup>4</sup>	9.31 - 10.20	11.57 - 12.64	11.57 - 12.63	11.00 - 12.37	11.09 - 12.75	11.02 - 12.25	10.14 - 10.78
	By purpose of loan							
47	Feeder livestock	11.59	11.54	12.03	11.56	11.35	11.66	11.64
48	Other livestock	11.06	12.23	12.55	12.24	11.99	11.13	10.20
49	Other current operating expenses	11.84	12.08	12.03	11.41	11.80	11.80	12.19
50	Farm machinery and equipment	12.06	12.35	11.75	11.96	12.20	-	-
51	Farm real estate	11.89	12.64	11.82	11.78	11.34	12.05	-
52	Other	12.24	12.22	12.08	12.43	12.19	12.35	-
	Percentage of the amount of loans							
53	With floating rates	64.2	45.5	58.0	56.1	58.1	66.2	93.7
54	Made under commitment	49.6	41.2	46.2	42.6	38.3	44.3	83.4
	By purpose of loan							
55	Feeder livestock	21.6	17.0	13.6	23.5	24.0	20.1	29.1
56	Other livestock	22.5	11.9	9.0	7.5	26.2	7.3	66.5
57	Other current operating expenses	41.5	53.5	54.3	49.0	34.9	57.6	4.4
58	Farm machinery and equipment	5.2	11.4	11.2	7.4	6.0	-	-
59	Farm real estate	5.4	1.6	6.0	7.4	3.7	12.3	-
60	Other	3.8	4.6	5.8	5.3	5.2	2.7	-

## NOTES

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The Survey of Terms of Bank Lending to Farmers collects data on gross loan extensions made during the first full business week in the mid-month of each quarter by a sample of 250 banks of all sizes. The sample data are blown up to estimate the lending terms at all insured agricultural 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. Loans of less than \$1,000 are excluded from the survey. Beginning with the August 1986 survey, loans that were secured by farm real estate were included in the survey. Also beginning in August of 1986, one purpose of a loan could be "purchase or improve farm real estate". In previous surveys, the purpose of such loans was reported as "other".

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1. Average maturities are weighted by loan size and exclude demand loans.
2. Effective (compounded) annual interest rates are calculated from the stated rate and other terms of the loans and weighted by loan size.
3. The chances are about two out of three 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.
4. The interquartile range shows the interest rate range that encompasses the middle 50 percent of the total dollar amount of loans made.
5. Among banks reporting loans to farmers, most "large banks" (survey strata 1 and 2) had more than \$20 million of farm loans, most "other banks" (survey strata 3 to 5) had less than \$20 million of farm loans.