

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

H.12

(For Immediate Release)

July 10, 1951

CHANGES IN COMMERCIAL AND INDUSTRIAL LOANS, BY INDUSTRY AND PURPOSE

Commercial, industrial, and agricultural loans at weekly reporting member banks remained practically unchanged during the week ended June 27. The only significant increases by industry were in loans to manufacturers of metals and metal products and to public utilities. The effects of these increases, however, were almost completely offset by decreases in loans to other lines of business and in unclassified loans.

The expansion in loans to manufacturers of metals and metal products and to public utility companies of 42 and 35 million dollars, respectively, was a continuation of the upward trend in these loans. In the opposite direction, loans to manufacturers of food, liquor, and tobacco products and to commodity dealers continued to decline. Changes in loans to other types of businesses were less pronounced.

The most important changes in loans to various types of borrowers during the week and since the end of March were as follows:

<u>Business of borrower</u>	<u>Week ended June 27</u>	<u>Change since March 28</u>
	(In millions of dollars)	
Manufacturing and mining:		
Food, liquor, and tobacco	- 11	-243
Textiles, apparel, and leather	+ 1	+116
Metals and metal products	+ 42	+275
Commodity dealers	- 14	-421
Public utilities and transportation	+ 35	+168
Trade -- Wholesale and Retail	- 4	+ 59
Sales finance companies	+ 2	+ 62

Changes in loans classified as to purpose indicated that loans for defense and defense-supporting activities continued to increase during the week. Total non-defense loans declined, although non-defense loans for financing plant and equipment increased 19 million dollars.

CHANGES IN COMMERCIAL AND INDUSTRIAL LOANS OF A SAMPLE OF WEEKLY REPORTING MEMBER BANKS  
BY INDUSTRY, PURPOSE, AND FEDERAL RESERVE DISTRICT,  
WEEK ENDED WEDNESDAY, JUNE 27, 1951

H.12(a)

(In millions of dollars)

Business of Borrower	All Districts	Boston	New York	Phila- delphia	Cleve- land	Rich- mond	Atlanta	Chicago	St. Louis	Minne- apolis	Kansas City	Dallas	San Francisco
<b>Manufacturing and mining:</b>													
Food, liquor, and tobacco	-11.1	+ .5	-15.6	+ 6.6	+ .5	- 2.0	- .8	- .8	- .8	- .3	- .8	- .5	+ 2.9
Textiles, apparel, and leather	+ 1.4	+ .4	+ 2.6	- 1.1	- .4	+ .5	- .4	+ 1.1	- .7	- .4	--	+ .1	- .3
Metals and metal products (including machinery and transportation equipment)	+41.8	+ 1.3	+16.9	+ 1.6	+10.0	- .1	+ .1	+ 4.0	+ .2	--	+ .2	+ 1.1	+ 6.5
Petroleum, coal, chemicals, and rubber	- 8.5	--	--	+ .7	- 3.2	- .6	+ .1	+ 1.6	- .2	+ .3	+ .9	- 4.6	- 3.5
Other manufacturing and mining	+ 3.3	+ .5	+ 3.1	+ .2	+ 1.2	--	- .3	- .7	- .3	--	+ .1	- .9	+ .4
<b>Trade:</b>													
Wholesale	(- 3.6)	- 1.0	+ 3.2	--	+ .7	+ .7	- .3	- .4	- .6	+ .1	- .2	(- 1.4)	- 2.1
Retail	(- 3.6)	+ .3	- 3.5	- .5	- 1.2	- .5	- .2	+ .8	- .8	- 1.2	+ .7	(- 1.4)	+ 3.8
Commodity dealers	-14.0	- 1.5	- 3.9	+ .3	- .2	- 1.9	+ 1.9	- 1.5	- 3.6	- 1.6	- 1.7	+ .3	- .6
Sales finance companies	+ 2.4	+ 1.0	- .3	+ .4	- 4.8	- 1.1	+ .2	+ 4.4	+ .1	- 1.5	- .9	+ .8	+ 4.1
Public utilities (including transportation)	+34.5	+ 1.4	+27.1	+ 4.5	+ .7	--	- .2	+ 1.1	+ .1	--	- .4	- .5	+ .7
Construction	+ 1.1	+ .6	+ .8	+ .1	- .1	+ .9	- 1.9	+ .8	- .2	+ .3	--	- 1.3	+ 1.1
All other types of business	- 3.1	+ .8	- .5	+ .2	+ 6.5	+ .1	+ 2.3	- 2.0	+ .6	- .1	- .2	- 3.9	- 6.9
Net change of classified loans	+44.2	+ 4.3	+29.9	+13.0	+ 9.7	- 4.0	+ .5	+ 8.4	- 6.2	- 4.4	- 2.3	-10.8	+ 6.1
To balance with net change in weekly reporting series	-40.2	+ 1.7	-12.9	+ 2.0	-12.7	- 3.0	- 1.5	- 3.4	- .8	- 4.6	- 2.7	+ 1.8	- 4.1
Net change in commercial, industrial, and agricultural loans	+ 4.0	+ 6.0	+17.0	+15.0	- 3.0	- 7.0	- 1.0	+ 5.0	- 7.0	- 9.0	- 5.0	- 9.0	+ 2.0
<u>Purpose Classification</u>													
Defense contracts	+22.8	+ 2.5	+ 6.5	+ 1.3	+ 2.2	- .2	--	+ 3.1	+ .3	--	- .4	+ .2	+ 7.3
Defense-supporting activities:													
Plant and equipment	+13.3	+ .1	+ 4.7	+ 1.5	+ 4.8	+ .7	+ .2	+ 1.6	- .2	--	- .1	--	--
All other	+10.1	--	+ 8.2	+ 3.2	+ 1.4	+ .1	- .5	- .1	- .6	--	--	--	- 1.6
Non-defense activities:													
Inventory and working capital	-21.3	- 1.4	+ 2.0	+ 6.9	- 7.9	- 4.4	+ 2.3	+ 3.9	- 5.8	- 4.4	- .5	-10.5	- 1.5
Plant and equipment	+18.5	+ 3.2	+ 8.6	+ .1	+ 2.0	+ .1	+ .4	+ .8	+ .6	--	+ .8	- .5	+ 2.4
Retirement of non-bank debt and preferred stock	+ .4	- .1	+ 1.2	--	--	--	--	- .9	- .3	--	- .4	+ .8	+ .1
All other (for loans classified)	+ .7	--	- 1.3	--	+ 7.2	- .3	- 1.9	--	- .2	--	- 1.4	- .8	- .6
Net change of classified loans	+44.5	+ 4.3	+29.9	+13.0	+ 9.7	- 4.0	+ .5	+ 8.4	- 6.2	- 4.4	- 2.0	-10.8	+ 6.1