

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

H.12

(For Immediate Release)

August 14, 1951

CHANGES IN COMMERCIAL AND INDUSTRIAL LOANS, BY INDUSTRY AND PURPOSE

The increase of 166 million dollars in commercial, industrial, and agricultural loans during the week ended August 1 included new borrowings in nearly all industrial classifications, according to data submitted by about 220 selected banks. The principal increases were in loans to manufacturers of food, liquor, and tobacco products and to commodity dealers, sales finance companies, and public utilities.

The increase of 35 million dollars in loans to manufacturers of food products was the first weekly increase since the series was started in late March and the increase of 37 million to commodity dealers was the first substantial increase. The principal changes in loans classified by type of business, during the week and since the end of March, were as follows:

<u>Business of Borrower</u>	Week ended <u>August 1</u>	Change since <u>March 28</u>
	(In millions of dollars)	
Manufacturing and mining:		
Food, liquor, and tobacco	+ 35	-336
Textiles, apparel, and leather	- 2	+127
Metals and metal products	+ 16	+370
Petroleum and other	+ 3	+133
Trade -- wholesale and retail	- 17	- 53
Commodity dealers	+ 37	-419
Sales finance companies	+ 32	+ 39
Public utilities and transportation	+ 43	+256
Construction and other	+ 8	+ 41
Total changes classified	+156	+157

Changes in loans classified as to purpose showed continued increases in loans for defense and defense-supporting activities totaling 63 million dollars; and non-defense loans increased 95 million.

CHANGES IN COMMERCIAL AND INDUSTRIAL LOANS OF A SAMPLE OF WEEKLY REPORTING MEMBER BANKS  
BY INDUSTRY, PURPOSE, AND FEDERAL RESERVE DISTRICT,  
WEEK ENDED WEDNESDAY, AUGUST 1, 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	+35.1	+ .2	+20.4	+ .3	+ .9	- .6	+ .3	+ 4.4	+ 1.2	+ .1	+ 1.8	+ .6	+ 5.5
Textiles, apparel, and leather	- 1.8	- 1.6	- 1.7	+ 1.3	+ .1	- .1	- 1.7	+ 1.3	+ 1.0	+ .3	- .1	- .2	- .4
Metals and metal products (including machinery & transportation equipment)	+16.3	- .6	+ 2.3	+ 2.1	+ 5.3	- .3	- .2	+ 4.9	- .3	- .1	+ 1.0	+ .4	+ 1.8
Petroleum, coal, chemicals, and rubber	- 1.1	- 2.8	- 1.8	+ 1.0	- 1.0	+ .9	+ .3	- 1.9	+ .2	+ .5	+ .9	+ 2.2	+ .4
Other manufacturing and mining	+ 4.2	+ 1.4	- .1	+ .7	+ .3	- .4	+ .2	+ 1.2	- .5	+ .5	- 1.3	- .3	+ 2.5
<b>Trade:</b>													
Wholesale	(-16.5)	- .6	- 1.3	- .4	- 1.2	- .2	- 1.7	- 2.3	- 1.8	- 1.3	- .6	( )	+ 3.8
Retail	(-16.5)	- .1	- 2.2	- .3	--	- .3	- .1	- 1.8	- 1.3	- .6	- .1	(- 1.7)	- .4
Commodity dealers	+36.9	- 2.8	+16.7	+ 1.7	+ 3.2	+ 1.9	- .2	+ 9.4	+ 2.5	- .9	+ 4.2	+ .6	+ .6
Sales finance companies	+31.7	- 4.1	+27.4	+ 1.2	+ 4.1	+ .7	+ .9	- 1.5	+ 2.2	+ 1.2	- .7	- 2.0	+ 2.3
Public utilities (including transportation)	+42.6	+ .6	+32.7	+ 5.5	+ .6	- .3	+ .5	- 1.3	- .1	+ .7	--	+ .6	+ 3.1
Construction	+ 2.5	- .2	- 1.1	- 1.3	- .1	--	- .3	+ 2.8	- .3	+ .3	- .1	+ .5	+ 2.3
All other types of business	+ 5.9	+ .4	- 1.7	+ .5	- .5	+ .1	- .5	+ 3.5	+ .3	--	+ 1.1	+ 1.4	+ 1.3
Net change of classified loans <sup>1/</sup>	+155.8	-10.2	+89.6	+12.3	+11.7	+ 1.4	- 2.5	+18.7	+ 3.1	+ .7	+ 6.1	+ 2.1	+22.8
To balance with net change in weekly reporting series	+10.2*	- .8	+10.4	+ .7	- .7	+ .6	+ 5.5	- 3.7	- .1	- .7	+ 1.9	- .1	- 2.8*
Net change in commercial, industrial, and agricultural loans	+166.0*	-11.0	+100.0	+13.0	+11.0	+ 2.0	+ 3.0	+15.0	+ 3.0	--	+ 8.0	+ 2.0	+20.0*
<u>Purpose Classification</u>													
Defense contracts	+20.1	- 1.1	+10.3	+ 1.2	+ 2.7	- .4	+ 1.1	+ 5.0	- .2	- .2	--	--	+ 1.7
Defense-supporting activities:													
Plant and equipment	+38.7	--	+25.9	+ 5.5	+ .9	--	+ .6	+ 1.4	--	+ .7	--	--	+ 3.7
All other	+ 4.1	+ .5	- 4.6	+ .7	+ 3.4	+ .1	--	+ .5	+ .1	--	+ .1	--	+ 3.3
Non-defense activities:													
Inventory and working capital	+78.8	-10.9	+53.0	+ 4.0	+ 2.0	+ 1.0	- 1.9	+13.0	+ 4.1	- .2	+ 2.1	+ .4	+12.2
Plant and equipment	+ 7.8	+ 1.6	+ 3.8	+ .1	+ .2	- .2	- .2	+ .2	- .8	+ .4	+ 1.6	- .4	+ 1.5
Retirement of non-bank debt and preferred stock	+ 1.7	--	- .4	- .1	--	--	+ .2	--	+ .8	--	--	+ 1.2	--
All other (for loans classified)	+ 6.8	- .3	+ 1.6	+ .9	+ 2.5	+ .9	- 2.3	- 1.4	- .9	--	+ 4.5	+ .9	+ .4
Net change of classified loans <sup>1/</sup>	+158.0	-10.2	+89.6	+12.3	+11.7	+ 1.4	- 2.5	+18.7	+ 3.1	+ .7	+ 8.3	+ 2.1	+22.8

\* Previous week's figures have been revised by +12.0.

<sup>1/</sup> About 220 weekly reporting member banks are reporting changes in their larger loans as to industry and purpose; these banks hold nearly 95 per cent of total commercial and industrial loans of all weekly reporting member banks and about 75 per cent of those of all commercial banks.