

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

H.12

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CHANGES IN COMMERCIAL AND INDUSTRIAL LOANS, BY INDUSTRY AND PURPOSE

An increase in loans to the retail trade accounted for the 124 million dollar increase in commercial, industrial, and agricultural loans at weekly reporting member banks during the week ended August 22. Increases were also reported in loans to manufacturers of food products and to commodity dealers; and there were decreases in loans to sales finance companies and to manufacturers of textiles, apparel, and leather.

The increase of 128 million dollars in loans to wholesale and retail trade was entirely in the retail portion; it occurred in practically all districts, with the larger increases being reported in the New York and San Francisco districts; an increase was reported in the Chicago District in the previous week. Loans to manufacturers of food, liquor, and tobacco products increased 37 million dollars, the fourth consecutive weekly increase in this category. The 23 million dollar increase in loans to commodity dealers was also the fourth consecutive weekly increase.

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>	<u>Week ended August 22</u>	<u>Change since March 28</u>
	(In millions of dollars)	
Manufacturing and mining:		
Food, liquor, and tobacco	+ 37	-225
Textiles, apparel, and leather	- 17	+ 95
Metals and metal products	+ 9	+531
Petroleum and other	+ 5	+153
Trade — wholesale and retail	+128	+ 91
Commodity dealers	+ 23	-378
Sales finance companies	- 22	- 16
Public utilities and transportation	+ 6	+272
Construction and other	- 21	+ 26
Total changes classified	+146	+548

In the classification as to purpose, loans for defense and defense-supporting activities showed practically no change. Non-defense loans increased 148 million dollars, of which 141 million was for inventory and working capital.

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 22, 1951

(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
Manufacturing and mining:													
Food, liquor, and tobacco	+36.5	+ 1.9	+ 1.8	+ 1.2	+ .9	+ 1.9	- .2	+ 7.8	+ 3.1	+ .8	+ 2.4	- .4	+15.3
Textiles, apparel, and leather	-17.4	- 2.1	-15.4	- .1	- .3	- .8	- .1	- 1.1	+ .6	- .3	+ .2	- .2	+ 2.2
Metals and metal products (including machinery & transportation equipment)	+ 9.1	- .3	+ 4.6	+ 1.8	- .9	+ .1	+ .3	+ 1.2	+ .2	- .2	- .3	- .3	+ 2.9
Petroleum, coal, chemicals, and rubber	- .6	- .2	- 1.5	+ .3	- .2	+ .1	+ .2	+ .6	+ .1	- 1.1	+ .6	+ .2	+ .3
Other manufacturing and mining	+ 5.3	+ .4	+ 2.4	+ .3	+ .4	+ .2	--	+ .3	+ .3	--	+ .1	- .4	+ 1.3
Trade:													
Wholesale	(+127.9)	- .7	- 1.3	+ .3	- .6	- .6	- 1.6	+ 3.3	- .6	- .1	- .3	(+ 4.4)	- .7
Retail	+ 8.9	+ 8.9	+61.5	+ 5.5	+12.2	+ 1.3	+ 2.0	+ 1.9	+ 1.6	- .2	+ 1.9	(+ 4.4)	+29.8
Commodity dealers	+22.9	- .7	+14.4	+ .1	+ .7	+ 2.1	+ .7	+ 2.2	+ 1.2	+ 1.3	- 1.1	+ .1	+ 1.9
Sales finance companies	-22.1	- .3	- 9.4	- 1.2	- 2.8	- 1.2	- .6	- 3.9	- .5	- 1.8	- .9	+ .3	+ .2
Public utilities (including transportation)	+ 5.7	+ .6	+ 2.8	--	+ .9	- .5	+ .9	+ 1.8	- .1	--	- .2	--	- .5
Construction	- 7.2	- .9	- .6	--	--	+ .1	- 1.0	+ 1.0	+ .2	+ .1	- .9	- .7	- 4.5
All other types of business	-14.0	- .2	-10.1	+ .3	- .4	--	+ 1.0	- .1	- .4	- .1	- 1.3	- 1.6	- 1.1
Net change of classified loans ^{1/}	+146.1	+ 6.4	+49.2	+ 8.5	+ 9.9	+ 2.7	+ 1.6	+15.0	+ 5.7	- 1.6	+ .2	+ 1.4	+47.1
To balance with net change in weekly reporting series	-22.1	+ 2.6	- 1.2	- 2.5	- .9	- .7	- 2.6	- 3.0	- .7	- 1.4	- 1.2	- 1.4	- 9.1
Net change in commercial, industrial, and agricultural loans	+124.0	+ 9.0	+48.0	+ 6.0	+ 9.0	+ 2.0	- 1.0	+12.0	+ 5.0	- 3.0	- 1.0	--	+38.0
<u>Purpose Classification</u>													
Defense contracts	+ 2.6	- .8	+ 3.2	--	+ 2.6	--	+ .1	- .4	+ .1	- .2	+ .2	- .5	- 1.7
Defense-supporting activities:													
Plant and equipment	+ 1.1	+ .2	+ .1	--	+ 1.1	- .4	+ .9	+ .7	- .2	--	- .2	--	- 1.1
All other	- 4.2	- .1	- 6.0	- .5	+ .5	--	- .1	- .1	+ .2	--	- .1	--	+ 2.0
Non-defense activities:													
Inventory and working capital	+141.3	+ 7.4	+46.9	+ 8.1	+ 6.4	+ 1.6	+ 1.1	+13.3	+ 6.3	- 1.4	+ 1.3	- .7	+51.0
Plant and equipment	+ 7.4	+ .1	+ 6.6	- .1	- .2	+ .4	- .1	+ .7	- .1	--	+ .2	- .1	--
Retirement of non-bank debt and preferred stock	+ 3.8	--	- .5	--	--	--	--	+ .2	--	--	--	+ 4.1	--
All other (for loans classified)	- 4.3	- .4	- 1.1	+ 1.0	- .5	+ 1.1	- .3	+ .6	- .6	--	+ .4	- 1.4	- 3.1
Net change of classified loans ^{1/}	+147.7	+ 6.4	+49.2	+ 8.5	+ 9.9	+ 2.7	+ 1.6	+15.0	+ 5.7	- 1.6	+ 1.8	+ 1.4	+47.1

^{1/} 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.