

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

H.12

(For Immediate Release)

October 2, 1951

CHANGES IN COMMERCIAL AND INDUSTRIAL LOANS, BY INDUSTRY AND PURPOSE

Increases in loans to manufacturers of food, liquor, and tobacco products, to manufacturers of metals and metal products, and to commodity dealers were the principal factors in the \$96 million increase in commercial, industrial, and agricultural loans at weekly reporting member banks during the week ended September 19. Partially offsetting decreases were reported in loans to manufacturers of textiles, apparel, and leather, in loans to the wholesale and retail trade, and in construction loans.

The increases of \$55 million in loans to manufacturers of food products and \$27 million to commodity dealers were the eighth consecutive weekly increases for both. Loans to manufacturers of metals and metal products increased \$51 million; they have increased in practically every week since the series was started in late March.

The \$26 million decrease in trade loans was largely in loans to the retail trade in the Cleveland and San Francisco districts. Loans to manufacturers of textiles, apparel, and leather have decreased in nine of the past ten weeks; the \$25 million decrease this week was the largest so far reported in this industrial classification.

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>September 19</u>	Change since <u>March 28</u>
	(In millions of dollars)	
Manufacturing and mining:		
Food, liquor, and tobacco	+ 55	- 56
Textiles, apparel, and leather	- 25	+ 48
Metals and metal products	+ 51	+677
Petroleum and other	+ 19	+217
Trade -- wholesale and retail	- 26	+ 75
Commodity dealers	+ 27	-314
Sales finance companies	+ 15	- 15
Public utilities and transportation	+ 16	+345
Construction and other	- 27	+ 24
Total changes classified	+105	+1,001

In the classification as to purpose, both defense and non-defense loans showed increases, of \$42 million and \$63 million respectively.

CHANGES IN COMMERCIAL AND INDUSTRIAL LOANS OF A SAMPLE OF WEEKLY REPORTING MEMBER BANKS
 BY INDUSTRY, PURPOSE, AND FEDERAL RESERVE DISTRICT,
 WEEK ENDED WEDNESDAY, SEPTEMBER 19, 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
Manufacturing and mining:													
Food, liquor, and tobacco	+55.4	+ .7	+29.8	+ 1.7	+ 1.4	+ 2.7	+ 1.0	+10.3	+ 3.9	- .3	- .2	+ 1.5	+ 2.9
Textiles, apparel, and leather	-25.3	- 2.0	-13.9	+ .7	- 2.7	- .1	- .5	- .5	+ 1.6	- .5	- .2	- .6	- 6.6
Metals and metal products (including machinery & transportation equipment)	+50.6	+ 1.1	+24.7	+ 4.1	+ 2.4	- .2	- 1.2	+11.2	- .4	+ 1.8	+ .2	+ .5	+ 6.4
Petroleum, coal, chemicals, and rubber	+10.1	+ .3	+ 8.6	- .1	+ .6	+ .3	+ .7	- .9	+ .1	+ .2	--	+ .3	--
Other manufacturing and mining	+ 8.5	+ 1.4	+ 1.0	+ .8	- 1.7	+ .9	+ .1	- 1.1	+ .2	--	--	+ .8	+ 6.1
Trade:													
Wholesale	(-25.9)	- .9	+ 4.3	+ .8	+ 1.0	+ .1	- .5	- 1.7	- .1	- .5	- .7	(- 2.4)	- 1.4
Retail	(-25.9)	+ .4	- .2	+ .9	- 8.3	--	+ .3	+ .4	- .2	+ .3	- 1.2	(- 2.4)	-16.3
Commodity dealers	+27.1	- 1.0	+13.5	- 1.3	- .4	+ 2.7	+ 1.4	+ 4.0	+ 4.9	+ 1.1	- 1.1	- 1.0	+ 4.3
Sales finance companies	+14.5	- 1.7	+ 9.8	+ 4.6	- .9	+ 2.0	+ .6	- 3.3	- .7	+ 1.0	+ .8	- 1.2	+ 3.5
Public utilities (including transportation)	+16.5	- 3.2	+24.7	+ .1	- 1.1	--	--	- 5.1	--	- .3	+ 1.2	- 3.9	+ 4.1
Construction	-22.5	- .2	-23.5	- .4	- 3.5	- .3	- 1.3	+ .7	+ 1.1	+ .8	- .5	+ 6.0	- 1.4
All other types of business	- 4.4	- 1.3	- 7.4	- .9	+ 1.9	- .8	+ .9	+ 2.3	- .1	+ .2	- 5.6	+ 3.0	+ 3.4
Net change of classified loans ^{1/}	+104.6	- 6.4	+71.4	+11.0	-11.3	+ 7.3	+ 1.5	+16.3	+10.3	+ 3.8	- 7.3	+ 3.0	+ 5.0
To balance with net change in weekly reporting series	- 8.6	+ 2.4	- 9.4	- 2.0	- .7	+ 1.7	- 3.5	- 5.3	+ .7	+ 1.2	+ 3.3	+ 1.0	+ 2.0
Net change in commercial, industrial, and agricultural loans	+96.0	- 4.0	+62.0	+ 9.0	-12.0	+ 9.0	- 2.0	+11.0	+11.0	+ 5.0	- 4.0	+ 4.0	+ 7.0
<u>Purpose Classification</u>													
Defense contracts	+32.8	+1.6	+17.9	+ 2.3	+ 2.5	- .1	- .6	+ 5.6	- .3	+ .9	+ .7	- 1.9	+ 4.2
Defense-supporting activities:													
Plant and equipment	+ 7.9	- .1	+ 9.7	+ .3	- 1.4	--	--	- 2.3	+ .2	--	+ .2	--	+ 1.3
All other	+ .8	- .2	- .9	+ 2.1	- 1.6	+ .1	+ .5	+ 4.6	+ .3	- .5	--	--	- 3.6
Non-defense activities:													
Inventory and working capital	+72.4	- 3.8	+48.2	+ 6.3	-11.4	+ 5.4	+ 2.6	+10.9	+ 9.4	+ 3.4	- 5.4	+ 5.5	+ 1.3
Plant and equipment	- 7.0	- 3.2	- .5	--	- 3.3	- .1	- .1	+ .5	+ .2	--	+ .4	+ 2.0	+ 1.1
Retirement of non-bank debt and preferred stock	- 1.2	--	- 1.2	--	--	--	--	- 2.0	--	--	--	+ 2.2	- .2
All other (for loans classified)	- 1.0	- .7	- 1.8	--	+ 3.9	+ 2.0	- .9	- 1.0	+ .5	--	- 3.1	- .8	+ .9
Net change of classified loans ^{1/}	+104.7	- 6.4	+71.4	+11.0	-11.3	+ 7.3	+ 1.5	+16.3	+10.3	+ 3.8	- 7.2	+ 3.0	+ 5.0

^{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.