

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

H.12

(For Immediate Release)

October 30, 1951

CHANGES IN COMMERCIAL AND INDUSTRIAL LOANS, BY INDUSTRY AND PURPOSE

Borrowings in practically all business classifications accounted for the increase of \$175 million in commercial, industrial, and agricultural loans at weekly reporting member banks during the week ended October 17, according to a smaller sample of banks that report this additional breakdown at the request of the National Voluntary Credit Restraint Committee.

The principal increases were \$64 million to manufacturers of food, liquor, and tobacco products, \$54 million to commodity dealers, and \$33 million to public utilities (including transportation). A decrease of \$36 million was reported in loans to manufacturers of textiles, apparel, and leather.

Changes in loans classified by type of business, during the week and since the end of March when the sample of the largest banks began reporting these data, were as follows:

<u>Business of Borrower</u>	<u>Week ended October 17</u>	<u>Change since March 28</u>
	(In millions of dollars)	
Manufacturing and mining:		
Food, liquor, and tobacco	+ 64	+203
Textiles, apparel, and leather	- 36	- 25
Metals and metal products	+ 13	+800
Petroleum and other	+ 25	+239
Trade -- wholesale and retail	+ 14	+102
Commodity dealers	+ 54	-142
Sales finance companies	+ 24	+ 11
Public utilities and transportation	+ 33	+449
Construction and other	+ 10	- 12
Total changes classified	+201	+1,625

In the classification as to purpose shown in the attached table, loans for defense and defense-supporting activities increased \$38 million, of which \$18 million was for plant and equipment. Non-defense loans increased \$163 million; these include loans to processors and distributors of food products, to sales finance companies, and to a portion of the other business classifications.

CHANGES IN COMMERCIAL AND INDUSTRIAL LOANS OF A SAMPLE OF WEEKLY REPORTING MEMBER BANKS
BY INDUSTRY, PURPOSE, AND FEDERAL RESERVE DISTRICT,
WEEK ENDED WEDNESDAY, OCTOBER 17, 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	+63.6	+ 2.3	+38.2	+ 1.0	+ 2.5	+ 1.0	+ 1.2	+ 4.9	+ 4.7	- 1.6	+ 2.0	+ 1.7	+ 5.7
Textiles, apparel, and leather	-35.7	- 3.5	-11.9	- 2.6	- 1.9	- .4	- .4	- 8.4	- 1.6	- .7	- .7	- 1.1	- 2.5
Metals and metal products (including machinery & transportation equipment)	+13.4	+ 1.5	- 2.0	+ 3.6	+ 1.6	- 1.0	+ .2	+ 3.9	- 1.1	+ 1.3	+ .4	+ .3	+ 4.7
Petroleum, coal, chemicals, and rubber	+10.1	+ .2	+ 6.5	- .3	+ .3	+ .5	--	+ 2.1	--	+ .8	--	- .3	+ .3
Other manufacturing and mining	+14.4	+ 1.0	+ 2.1	+ .1	+ 6.0	+ .2	+ .6	+ 1.8	- .2	+ .2	+ .2	- .2	+ 2.6
Trade:													
Wholesale	(+14.0)	+ 1.9	+ 3.5	+ .4	+ .7	- .2	+ 1.1	+ 2.2	- .2	- .3	- 1.8	(- .9)	- .6
Retail	(+14.0)	- 1.1	+ 5.7	- .2	+ 4.4	- .2	+ .6	+ 1.1	+ .8	- .9	- .6	(- .9)	- 1.4
Commodity dealers	+53.5	--	+26.2	+ .8	+ .6	+ .4	- .8	+ 2.6	+10.2	+ 4.2	+ 1.6	+ 8.4	- .7
Sales finance companies	+24.4	- 1.6	+28.2	+ 4.3	+ 3.8	--	- .7	- 6.2	+ .8	- .5	--	+ 1.2	- 4.9
Public utilities (including transportation)	+33.0	+ 2.1	+28.0	+ .1	+ .9	--	+ .1	+ 3.1	- .2	--	- .2	- 2.3	+ 1.4
Construction	- 2.5	- .2	+ 2.3	+ .4	+ .3	+ .2	--	- .5	+ .1	- .4	- .7	- .7	- 3.3
All other types of business	+12.6	- .7	- 4.2	+ .1	+14.2	+ .5	- 2.0	- 1.8	+ 2.1	--	+ .6	+ .7	+ 3.1
Net change of classified loans ^{1/}	+200.8	+ 1.9	+122.6	+ 7.7	+33.4	+ 1.0	- .1	+ 4.8	+15.4	+ 2.1	+ .8	+ 6.8	+ 4.4
To balance with net change in weekly reporting series	-25.8	- 1.9	-28.6	+ 1.3	- 1.4	--	+ .1	- 4.8	- 1.4	- 3.1	+ 4.2	+ .2	+ 9.6
Net change in commercial, industrial, and agricultural loans	+175.0	--	+94.0	+ 9.0	+32.0	+ 1.0	--	--	+14.0	- 1.0	+ 5.0	+ 7.0	+14.0
<u>Purpose Classification</u>													
Defense contracts	+ 8.1	+ 2.1	- 3.5	+ 2.1	+ 1.5	--	--	+ 2.9	- .5	+ .1	+ .9	- .2	+ 2.7
Defense-supporting activities:													
Plant and equipment	+18.4	+ .4	+15.0	+ .2	+ 1.7	--	- .1	+ 1.9	- .4	--	--	--	- .3
All other	+11.0	- .2	+ 7.2	+ .1	+ 2.4	- 1.1	--	+ .1	--	--	- .1	--	+ 2.6
Non-defense activities:													
Inventory and working capital	+140.0	- 1.3	+103.7	+ 5.2	+14.3	+ 1.7	- 1.2	- 3.6	+16.4	+ 2.0	- 1.1	+ 6.3	- 2.4
Plant and equipment	+10.7	+ 2.1	+ 6.7	--	--	--	+ .4	+ 2.1	- .3	--	+ .2	- .7	+ .2
Retirement of non-bank debt and preferred stock	+ .9	- .3	- .5	--	--	--	--	--	--	--	--	+ 1.9	- .2
All other (for loans classified)	+11.7	- .9	- 6.0	+ .1	+13.5	+ .4	+ .8	+ 1.4	+ .2	--	+ .9	- .5	+ 1.8
Net change of classified loans ^{1/}	+200.8	+ 1.9	+122.6	+ 7.7	+33.4	+ 1.0	- .1	+ 4.8	+15.4	+ 2.1	+ .8	+ 6.8	+ 4.4

^{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.