

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

H.12

(For Immediate Release)

November 20, 1951

CHANGES IN COMMERCIAL AND INDUSTRIAL LOANS, BY INDUSTRY AND PURPOSE

The previously reported increase of \$96 million in commercial, industrial, and agricultural loans during the week ended November 7 included the second largest weekly increase in loans to processors of food, liquor, and tobacco products since they started to increase at the end of July. Increases were also reported in loans to commodity dealers, to manufacturers of petroleum, coal, chemicals, and rubber products and of metals and metal products. These increases were partially offset by repayments of loans by manufacturers of textiles, apparel, and leather, and by sales finance companies.

The increase of \$71 million in loans to food processors was largely in the New York and Chicago districts. The \$16 million increase in the petroleum category was largely in the New York District and the \$15 million increase in metals and metal products was largely in the Chicago District. The Cleveland District reported a \$10 million increase in the "other" manufacturing and mining category.

Changes in loans classified by type of business, during the week/since mid-year, were as follows:

<u>Business of Borrower</u>	<u>Week ended November 7</u>	<u>Since June 27</u>
	(In millions of dollars)	
Manufacturing and mining:		
Food, liquor, and tobacco	+ 71	+592
Textiles, apparel, and leather	- 14	-231
Metals and metal products	+ 15	+552
Petroleum and other	+ 27	+171
Trade -- wholesale and retail	+ 6	+ 46
Commodity dealers	+ 33	+427
Sales finance companies	- 13	-117
Public utilities and transportation	+ 1	+319
Construction and other	- 13	- 80
Classified changes	<u>+114</u>	<u>+1,679</u>
Unclassified changes	<u>- 18</u>	<u>-232</u>
Net changes in commercial, industrial, and agricultural loans	+ 96	+1,447

In the classification as to purpose shown in the attached table, defense and defense-supporting loans increased \$35 million, of which \$25 million was for plant and equipment, and non-defense loans increased \$79 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, NOVEMBER 7, 1951

(In millions of dollars)

Business of Borrower	All Districts	Boston	New York	Philadelphia	Cleveland	Richmond	Atlanta	Chicago	St. Louis	Minneapolis	Kansas City	Dallas	San Francisco
Manufacturing and mining,													
Food, liquor, and tobacco	+70.7	+ 1.7	+25.0	+ 2.9	+ 2.4	+ .2	- .3	+21.6	+ 5.9	+ 1.7	+ .5	+ .9	+ 8.2
Textiles, apparel, and leather	-14.2	- 1.5	- 8.3	- 2.7	--	- .4	+ .9	- .5	- 1.3	- .1	- .1	- .2	--
Metals and metal products (including machinery & transportation equipment)	+15.3	- .3	- 2.2	--	+ 6.4	--	+ 1.1	+12.5	+ .5	+ .3	+ .3	- .3	- 3.0
Petroleum, coal, chemicals, and rubber	+16.2	+ .4	+13.7	+ 1.3	+ .2	- .1	+ .4	+ 2.5	- .2	- .5	- .7	- .5	- .3
Other manufacturing and mining	+10.4	- .7	- 3.2	+ .1	+10.0	--	- .3	- .2	--	- .2	- .1	- .2	+ 5.2
Trade:													
Wholesale	(+ 6.3)	+ 1.0	+ .3	- .1	- 2.8	+ .7	+ 1.1	- 1.8	+ 1.0	- .4	+ .7	(+ .7)	+ .1
Retail	(+ 6.3)	+ 1.6	+ 8.6	+ 1.9	- .2	+ .7	+ .3	- .5	- .9	+ .5	- 1.4	(+ .7)	- 4.8
Commodity dealers	+33.4	+ .1	+16.7	- .3	- .2	- .2	+ 1.3	- .9	+ 4.6	+ 1.2	+ 1.9	+ 1.9	+ 7.3
Sales finance companies	-12.7	- 2.4	-16.7	- .1	- 4.1	+ 1.6	+ .7	+ 3.3	--	--	- .7	+ 2.2	+ 3.5
Public utilities (including transportation)	+ 1.3	--	+ 4.1	--	- .9	+ .2	- .1	- .3	- .2	+ .1	+ .1	+ .4	- 2.1
Construction	- 4.2	--	+ .8	+ .5	- .4	- .4	+ .4	- 1.5	- 1.1	- .4	- 1.1	- .6	- .4
All other types of business	- 8.6	+ .1	- 8.0	- .3	- 1.4	+ 1.3	- 3.1	+ .2	+ .8	+ 1.0	- 1.9	+ 1.6	+ 1.1
Net change of classified loans ^{1/}	+113.9	--	+30.8	+ 3.2	+ 9.0	+ 3.6	+ 2.4	+34.4	+ 9.1	+ 3.2	- 2.5	+ 5.9	+14.8
To balance with net change in weekly reporting series	-17.9	+ 2.0	-22.8	- 1.2	--	- .6	- 4.4	- 5.4	- 2.1	- .2	+ 7.5	- 2.9	+12.2
Net change in commercial, industrial, and agricultural loans	+96.0	+ 2.0	+ 8.0	+ 2.0	+ 9.0	+ 3.0	- 2.0	+29.0	+ 7.0	+ 3.0	+ 5.0	+ 3.0	+27.0
Purpose Classification													
Defense contracts	+ 1.6	- .1	- 6.2	- .8	+ 2.3	- .4	- .2	+ 7.3	+ 1.6	- .2	+ .3	- .5	- 1.5
Defense-supporting activities:													
Plant and equipment	+25.3	--	+12.8	+ .6	+10.6	- .1	+ .8	+ 2.0	- .5	--	+ 1.5	--	- 2.4
All other	+ 7.8	--	+ 4.2	+ 1.7	+ 1.2	+ .1	+ .7	- .3	--	+ .1	- .3	--	+ .4
Non-defense activities:													
Inventory and working capital	+105.3	+ .3	+33.8	+ 1.5	- 1.1	+ 2.7	+ 2.8	+27.6	+ 8.4	+ 3.3	- 1.6	+ 6.0	+21.6
Plant and equipment	- 2.5	+ .6	+ 1.4	+ .2	- 2.7	+ .2	+ .5	- .7	- .2	--	- .2	- .1	- 1.5
Retirement of non-bank debt and preferred stock	- 2.7	--	- 3.3	--	--	--	--	--	--	--	--	+ .6	--
All other (for loans classified)	-20.9	- .8	-11.9	--	- 1.3	+ 1.1	- 2.2	- 1.5	- .2	--	- 2.2	- .1	- 1.8
Net change of classified loans ^{1/}	+113.9	--	+30.8	+ 3.2	+ 9.0	+ 3.6	+ 2.4	+34.4	+ 9.1	+ 3.2	- 2.5	+ 5.9	+14.8

^{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.