

Mrs Nelson

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

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(For Immediate Release)

January 30, 1952

CHANGES IN COMMERCIAL AND INDUSTRIAL LOANS, BY INDUSTRY AND PURPOSE

Repayments by practically all business classifications resulted in a decrease of \$155 million in commercial, industrial, and agricultural loans at weekly reporting member banks during the week ended January 23. The only businesses in which net increases were reported were manufacturers of metals and metal products and manufacturers of petroleum, coal, chemicals, and rubber products.

The decrease of \$52 million in loans to sales finance companies was the third consecutive weekly decrease, now aggregating \$190 million and approximating the amount of the increase during the five weeks ended January 2. The \$35 million decrease in loans to commodity dealers was the largest of four consecutive weekly decreases. Trade loans declined \$22 million, equally divided between the wholesale and retail trade. Loans to manufacturers of petroleum, coal, chemicals, and rubber products have increased in all but four weeks during the past five months; the increase during the current report week was \$9 million and most of the weekly increases have been relatively small.

Changes in loans classified by type of business, during the week and since mid-1951, were as follows:

<u>Business of Borrower</u>	Week ended January 23 <sup>p/</sup>	Since June 27 <sup>p/</sup>
	(In millions of dollars)	
Manufacturing and mining:		
Food, liquor, and tobacco	- 8	+840
Textiles, apparel, and leather	- 11	-408
Metals and metal products	+ 22	+1,248
Petroleum and other	+ 8	+308
Trade -- wholesale and retail	- 22	-126
Commodity dealers	- 35	+645
Sales finance companies	- 52	-103
Public utilities and transportation	- 11	+299
Construction and other	- 18	-114
Classified changes - net	-127	+2,590
Unclassified changes - net	- 28	-524
Net change in commercial, industrial, and agricultural loans	-155	+2,066

<sup>p/</sup> Preliminary; see footnote on attached table.

In the classification as to purpose, defense and non-defense loans showed decreases of \$6 million and \$121 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, JANUARY 23, 1952

(In millions of dollars)

Business of Borrower	All Dis- tricts <u>p/</u>	Boston	New York	Phila- delphia	Cleve- land	Rich- mond	Atlanta	Chicago	St. Louis	Minne- apolis	Kansas City	Dallas	San Fran- cisco <u>p/</u>
<b>Manufacturing and mining:</b>													
Food, liquor, and tobacco	- 8.3	- 1.0	+10.6	- 1.3	- 1.4	- 1.2	+ .5	- 3.9	- 2.0	- .4	- 1.3	--	- 6.9
Textiles, apparel, and leather	-11.0	- 2.0	- 8.8	+ .4	+ .9	+ 1.0	- 1.5	- 1.0	+ .2	- .2	--	+ .3	- .3
Metals and metal products (including machinery & transportation equipment)	+21.5	- .5	+17.1	+ .3	+ 2.3	- .1	+ 1.2	+ 2.4	- .2	--	- .2	+ .2	- 1.0
Petroleum, coal, chemicals, and rubber	+ 9.1	--	+ 6.8	--	--	--	+ .9	+ 1.7	+ .3	+ .2	- .7	- .1	--
Other manufacturing and mining	- 1.5	- .4	+ 1.9	+ 1.1	- .8	+ .2	- .7	- .8	+ .3	--	- .1	- .6	- 1.6
<b>Trade:</b>													
Wholesale	(-21.5)	- .5	- 3.6	--	- .8	+ .2	- 1.0	- 1.5	--	+ .1	- .3	(- 1.3)	- 2.5
Retail	(-21.5)	- .7	- 5.0	+ .8	- 1.3	- .2	- .6	- .2	- .1	- .5	+ .1	(- 1.3)	- 2.6
Commodity dealers	-35.0	- 1.8	-19.5	- .3	+ .4	- .2	- .7	- 3.2	- 3.8	+ .2	- .8	- .4	- 4.9
Sales finance companies	-52.3	- 1.1	- 9.7	- 6.6	- 7.8	- 2.8	- 1.0	-13.7	- 2.9	- .8	- 1.9	--	- 4.0
Public utilities (including transportation)	-10.9	+ 1.2	- .6	-13.9	+ .4	+ .2	+ .4	- .6	+ .1	--	- .2	+ .1	+ 2.0
Construction	- 6.1	+ .3	- 1.3	- .8	- .1	+ .4	- 1.3	- 2.1	+ .1	+ .5	+ .2	+ .4	- 2.4
All other types of business	-11.4	- .5	- 7.8	- .1	- 1.5	+ .2	- .7	- 3.9	- .1	--	+ .7	+ 1.8	+ .5
Net change of classified loans <sup>1/</sup>	-127.4	- 7.0	-19.9	-20.4	- 9.7	- 2.3	- 4.5	-26.8	- 8.1	- .9	- 4.5	+ .4	-23.7
Unclassified changes	-27.6	- 1.0	-17.1	- 3.6	- 3.3	- .7	+ 1.5	- 5.2	+ .1	- 1.1	- 2.5	- .4	+ 5.7
Net change in com'l, ind'l, & agr'l loans	-155.0	- 8.0	-37.0	-24.0	-13.0	- 3.0	- 3.0	-32.0	- 8.0	- 2.0	- 7.0	--	-18.0
<b>Purpose Classification</b>													
Defense contracts	+ 2.1	- 5.0	+ 8.2	- .6	+ .5	--	- .5	- .8	- .1	+ .1	- .1	+ .3	+ .1
Defense-supporting activities:													
Plant and equipment	-12.6	+ 4.7	- 6.0	-14.0	+ 2.4	+ .1	+ .1	+ .6	- .2	+ .2	+ .1	--	- .6
All other	+ 4.6	--	+ 8.5	- .6	- 1.1	+ .1	- .5	- 1.3	+ .5	- .1	- .1	--	- .8
Non-defense activities:													
Inventory and working capital	-108.9	- 7.2	-23.5	- 4.8	- 9.8	- 3.3	- 1.1	-25.0	- 7.7	- 1.1	- 4.8	- .2	-20.4
Plant and equipment	+ .1	+ .1	--	- .2	+ .6	--	+ 1.0	- .1	+ .2	--	+ .4	--	- 1.9
Retirement of non-bank debt and preferred stock	+ .7	--	- .3	--	--	--	+ .1	+ .1	--	--	--	+ 1.0	- .2
All other (for loans classified)	-13.4	+ .4	- 6.8	- .2	- 2.3	+ .8	- 3.6	- .3	- .8	--	--	- .7	+ .1
Net change of classified loans <sup>1/</sup>	-127.4	- 7.0	-19.9	-20.4	- 9.7	- 2.3	- 4.5	-26.8	- 8.1	- .9	- 4.5	+ .4	-23.7

p/ Preliminary; final totals will appear in the F.R. Bulletin and final San Francisco District figures appear in a release of the Reserve Bank.

<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.