

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

H.12

(For Immediate Release)

February 6, 1952

CHANGES IN COMMERCIAL AND INDUSTRIAL LOANS, BY INDUSTRY AND PURPOSE

A decrease of \$182 million in loans to sales finance companies and an increase of \$144 million in loans to manufacturers of metals and metal products were the principal changes in the \$126 million decrease in commercial, industrial, and agricultural loans during the week ended January 30.

Other changes were relatively small and reflected net repayments by most business categories. Loans to manufacturers of food, liquor, and tobacco products have decreased in four of the past five weeks; loans to commodity dealers have decreased for five weeks; and loans to the wholesale and retail trade have decreased for eleven consecutive weeks.

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 <u>January 30^{p/}</u>	Since <u>June 27^{p/}</u>
	(In millions of dollars)	
Manufacturing and mining:		
Food, liquor, and tobacco	- 21	+819
Textiles, apparel, and leather	+ 8	-399
Metals and metal products	+144	+1,393
Petroleum and other	+ 3	+311
Trade -- wholesale and retail	- 11	-136
Commodity dealers	- 16	+629
Sales finance companies	-182	-286
Public utilities and transportation	- 2	+297
Construction and other	- 26	-140
Classified changes - net	-103	+2,488
Unclassified changes - net	- 23	-548
Net change in commercial, industrial, and agri- cultural loans	-126	+1,940

p/ Preliminary; see footnote on attached table.

Loans for defense and defense-supporting activities increased \$41 million. Non-defense loans decreased \$144 million; this was the largest weekly decrease in non-defense loans since a sample of the largest banks began reporting these data last spring at the request of the National Voluntary Credit Restraint Committee.

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 30, 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>
Manufacturing and mining:													
Food, liquor, and tobacco	-21.2	- 1.1	- 2.4	- 1.1	+ 1.0	- .7	- 1.1	- 5.5	- 1.3	- .8	- 1.3	--	- 6.9
Textiles, apparel, and leather	+ 8.4	+ .3	+ 1.9	+ .9	+ .6	- .1	+ .8	+ .9	+ .7	+ .1	+ .4	+ 1.3	+ .6
Metals and metal products (including machinery & transportation equipment)	+144.3	+ 5.2	+71.2	+ 4.7	+10.9	+ .9	+ 1.2	+31.5	+ 4.8	+ 1.8	+ 1.7	+ 2.1	+ 8.3
Petroleum, coal, chemicals, and rubber	+ 4.3	+ .4	- 3.2	+ 1.6	+ 2.4	+ .8	+ .4	+ 1.9	- .2	- .1	+ .5	- 1.1	+ .9
Other manufacturing and mining	- 1.4	--	- .7	- .4	- .4	--	+ .2	- 1.5	- .1	--	+ .1	+ 2.0	- .6
Trade:													
Wholesale	(-11.1)	- 1.1	+ .6	- .1	+ .9	+ .5	+ .8	+ .7	- 1.1	+ .6	- .1	(- 1.6)	- .9
Retail	(-11.1)	- 3.1	- 4.3	+ 1.9	- 1.0	- .4	+ .2	- 3.3	- .3	--	- .3	(- 1.6)	+ .3
Commodity dealers	-15.9	+ 1.4	- .6	- .1	- .9	+ 1.1	- .9	- 2.4	-10.5	- .7	- 1.1	+ 3.5	- 4.7
Sales finance companies	-182.4	- 5.3	-103.9	-12.7	-12.7	- .4	- 3.1	-33.1	- 3.3	- 1.3	- 2.5	- .2	- 3.9
Public utilities (including transportation)	- 1.9	+ .8	- 2.8	+ .4	- .6	+ .2	- .5	- 2.9	+ .5	--	+ .8	+ .5	+ 1.7
Construction	- 7.9	- .2	+ .9	- 1.6	+ 1.1	- .2	- 2.5	- 3.1	+ .1	- .3	--	- .7	- 1.4
All other types of business	-18.0	--	-10.5	- 1.0	- 2.2	- .7	+ .1	+ .4	- .6	- .4	- .9	+ .1	- 2.3
Net change of classified loans ^{1/}	-102.8	- 2.7	-53.8	- 7.5	- .9	+ 1.0	- 4.4	-16.4	-11.3	- 1.1	- 2.7	+ 5.9	- 8.9
Unclassified changes	-23.2	- .3	-10.2	- .5	+ 1.9	- 2.0	+ .4	- 1.6	+ .3	+ .1	- 3.3	+ 3.1	-11.1
Net change in com'l, ind'l, & agr'l loans	-126.0	- 3.0	-64.0	- 8.0	+ 1.0	- 1.0	- 4.0	-18.0	-11.0	- 1.0	- 6.0	+ 9.0	-20.0
<u>Purpose Classification</u>													
Defense contracts	+27.0	+ 1.4	+17.3	+ 1.4	+ 2.0	- .2	+ .7	+ 1.5	+ 1.3	+ .1	- .2	+ .2	+ 1.5
Defense-supporting activities:													
Plant and equipment	- 1.3	+ .5	- 3.4	+ .4	+ .6	+ .2	+ .1	- .2	- .1	--	+ .1	--	+ .5
All other	+15.2	--	+10.1	+ 1.2	+ 1.5	+ .8	- .1	- 1.3	- .1	--	+ .2	--	+ 2.9
Non-defense activities:													
Inventory and working capital	-119.4	- 3.4	-55.5	-10.2	+ .7	- 1.5	- 1.5	-26.4	-11.1	- 1.0	- 2.0	+ 5.7	-13.2
Plant and equipment	- 6.0	- .1	- 2.3	- .2	- .7	+ .3	- 2.1	--	+ .4	- .2	- .3	- 1.4	+ .6
Retirement of non-bank debt and preferred stock	- 1.1	--	- 3.2	--	+ 1.0	--	--	--	--	--	--	+ 1.3	- .2
All other (for loans classified)	-17.2	- 1.1	-16.8	- .1	- 6.0	+ 1.4	- 1.5	+10.0	- 1.7	--	- .5	+ .1	- 1.0
Net change of classified loans ^{1/}	-102.8	- 2.7	-53.8	- 7.5	- .9	+ 1.0	- 4.4	-16.4	-11.3	- 1.1	- 2.7	+ 5.9	- 8.9

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.

^{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.