BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

H.12 (For Immediate Release) February 13, 1952

CHANGES IN COMMERCIAL AND INDUSTRIAL LOANS, BY INDUSTRY AND PURPOSE

Repayments of loans by the wholesale and retail trade, sales finance companies, manufacturers of food, liquor, and tobacco products, commodity dealers, and public utilities were partially offset by increases in loans to manufacturers of metals and metal products, of textiles, apparel, and leather, and of petroleum, coal, chemicals, and rubber products. The net decrease in commercial, industrial, and agricultural loans at weekly reporting member banks during the week ended February 6 was $50 million.

After six months of decreases, loans to manufacturers of textiles, apparel, and leather increased for the second consecutive week. Most of the trade loan decrease was in loans to retailers and in the Chicago, New York, and Boston districts. The public utility decrease was entirely in New York.

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

Business of Borrower	Week ended February 6 p/	Since June 27 p/
	(In millions of dollars)	
Manufacturing and mining:		
Food, liquor, and tobacco	- 20	+794
Textiles, apparel, and leather	+ 21	-379
Metals and metal products	+ 24	+1,417
Petroleum and other	+ 20	+330
Trade -- wholesale and retail	- 29	-168
Commodity dealers	- 19	+611
Sales finance companies	- 28	-318
Public utilities and transportation	- 19	+278
Construction and other	+ 18	-121
Classified changes - net	- 30	+2,446
Unclassified changes - net	- 20	-556
Net change in commercial, industrial, and agricultural loans	- 50	+1,890

p/ Preliminary; see footnote on attached table.

In addition to the weekly table showing changes by industry of borrower, purpose of loans, and Federal Reserve District, there is also attached a summary table showing the changes during January compared with preceding periods since last spring, when a sample of the largest banks began reporting these data.

In many respects January reflected a reversal of previous trends. Loans to manufacturers of food, liquor, and tobacco products and to commodity dealers showed a monthly decrease for the first time since July; and, in the purpose category, non-defense loans also showed the first monthly decrease since July. For loans to public utilities (including transportation) it was the first monthly decrease since the series was started.

In some of the other business categories previous trends were continued. Loans to manufacturers of textiles, apparel, and leather, and to the construction industry decreased for the sixth consecutive month; and loans to the wholesale and retail trade decreased for the second month. Loans to manufacturers of metals and metal products have increased in every month since the series started. Some of the January metal products increase represented large loans to aluminum companies and some of it, together with some of the sales finance company decrease, represented a shift in loans -- from a subsidiary sales finance company being liquidated, to its parent company.

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H.12(a)

CHANGES IN COMMERCIAL AND INDUSTRIAL LOANS OF A SAMPLE OF WEEKLY REPORTING MEMBER BANKS BY INDUSTRY, PURPOSE, AND FEDERAL RESERVE DISTRICT, WEEK ENDED WEDNESDAY, FEBRUARY 6, 1952

(In millions of dollars)

Business of Borrower	All Districts p/	Boston	New York	Philadelphia	Cleveland	Richmond	Atlanta	Chicago	St. Louis	Minneapolis	Kansas City	Dallas	San Francisco
Manufacturing and mining:													
Food, liquor, and tobacco	-19.6	- 3.6	+ 4.7	- 2.6	- 2.5	- .6	- 1.9	- 8.8	- 1.6	- 1.1	- .1	- 1.5	Not
Textiles, apparel, and leather	+20.8	+ .6	+14.0	+ .8	- .5	+ .7	+ 1.1	- .7	+ 4.2	--	--	+ .6	
Metals and metal products (including machinery & transportation equipment)	+24.0	+ .9	+12.3	+ .2	- .5	- .2	+ .2	+ 9.6	+ .9	- .3	+ .9	--	
Petroleum, coal, chemicals, and rubber	+19.9	+ .1	+11.5	+ 1.5	+ .5	- .2	+ .4	+ 4.8	+ .3	- .2	+ 1.3	- .1	
Other manufacturing and mining	+ 1.3	+ .1	+ .7	+ .1	+ 1.4	- .3	+ .7	- 2.9	+ .2	+ .5	+ .7	+ .1	avail-
Trade:													
Wholesale	(-28.8)	- 1.3	- 5.2	+ .4	+ .1	+ 2.0	+ .3	+ .3	--	- .1	+ .4	(+ .8)	
Retail		- 6.6	- 8.4	+ 1.3	- 1.3	- .1	+ .7	-10.3	- .9	- .2	- .7		
Commodity dealers	-18.7	- 2.0	- 3.4	+ 1.4	--	- .9	- .3	+ .4	-11.5	+ .8	+ 1.0	- 4.2	able
Sales finance companies	-28.1	+ .1	- 7.7	- 2.5	- 4.0	- 4.1	- 2.8	- 4.0	+ .2	- .7	- 1.1	- 1.5	
Public utilities (including transportation)	-19.3	+ .9	-20.1	+ .5	- .1	+ .2	- .2	+ .1	- .2	--	- .3	- .1	
Construction	- 1.7	--	- 2.2	+ .1	- .3	--	- .7	+ 2.9	- .3	- 2.4	+ .3	+ .9	
All other types of business	+19.8	- .1	+13.9	- .4	+ 3.1	- .4	- .9	- .6	+ 1.0	+ .2	- .4	+ 4.4	
Net change of classified loans 1/	-30.4	-10.9	+10.1	+ .8	- 4.1	- 3.9	- 3.4	- 9.2	- 7.7	- 3.5	+ 2.0	- .6	--
Unclassified changes	-19.6	+ .9	+ .9	+ .2	- 2.9	- 2.1	- 1.6	- 1.8	+ .7	- 1.5	- 2.0	- 1.4	- 9.0
Net change in com'l, ind'l, & agr'l loans	-50.0	-10.0	+11.0	+ 1.0	- 7.0	- 6.0	- 5.0	-11.0	- 7.0	- 5.0	--	- 2.0	- 9.0
Purpose Classification													
Defense contracts	+11.5	+ 2.2	+ 5.3	- .3	+ .7	+ .3	+ .3	+ 3.5	- .3	--	+ .3	- .5	Not
Defense-supporting activities:													
Plant and equipment	- 6.1	+ .8	- 9.2	+ .5	+ 1.0	+ .3	- .1	+ .5	- .8	--	+ .9	--	avail-
All other	+ 8.0	--	+ 5.5	+ .3	+ .6	--	--	- .4	+ 2.1	--	- .1	--	
Non-defense activities:													
Inventory and working capital	-37.8	-12.4	+ 8.7	--	- 3.2	- 4.8	- 3.3	-12.8	- 7.4	- 3.5	+ 1.5	- .6	
Plant and equipment	- 4.2	- .1	- 2.9	+ .3	- .9	+ .7	- .2	- .8	- 1.1	--	+ .1	+ .7	
Retirement of non-bank debt and preferred stock	- .8	- .3	- .4	--	--	--	--	--	--	--	--	- .1	able
All other (for loans classified)	- 1.0	- 1.1	+ 3.1	--	- 2.3	- .4	- .1	+ .8	- .2	--	- .7	- .1	
Net change of classified loans 1/	-30.4	-10.9	+10.1	+ .8	- 4.1	- 3.9	- 3.4	- 9.2	- 7.7	- 3.5	+ 2.0	- .6	--

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.

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H.12(b)

CHANGES IN COMMERCIAL AND INDUSTRIAL LOANS OF A SAMPLE OF WEEKLY REPORTING MEMBER BANKS
BY INDUSTRY AND PURPOSE, FOR THE TEN MONTHS ENDED WEDNESDAY, JANUARY 30, 1952

(In millions of dollars)

Business of Borrower	10 months' totals	3 months ended June 27	3 months ended September 26	3 months ended December 26	5 weeks ended January 30
Manufacturing and mining:					
Food, liquor, and tobacco	+570.9	-243.1	+231.4	+700.8	-118.2
Textiles, apparel, and leather	-283.9	+115.6	- 77.5	-283.3	- 38.7
Metals and metal products (including machinery & transportation equipment)	+1,668.6	+275.2	+451.7	+421.6	+520.1
Petroleum, coal, chemicals, and rubber	+212.8	+ 48.1	+ 42.0	+ 83.4	+ 39.3
Other manufacturing and mining	+204.9	+ 60.0	+ 69.8	+ 71.2	+ 3.9
Trade -- wholesale and retail	- 76.8	+ 62.0	+ 22.6	- 6.4	-155.0
Commodity dealers	+208.4	-421.2	+164.1	+558.1	- 92.6
Sales finance companies	-227.3	+ 62.6	-100.3	+129.9	-319.5
Public utilities (including transportation)	+472.2	+174.8	+218.3	+132.5	- 53.4
Construction	- 83.5	+ 44.2	- 32.9	- 65.2	- 29.6
All other types of business	- 3.8	+ 8.0	- 26.2	+ 63.2	- 48.8
Net change of classified loans 1/	+2,662.5	+186.2	+963.0	+1,805.8	-292.5
Unclassified changes - net	-704.5	-168.2	-105.0	r/ -291.8	-139.5
Net change in commercial, industrial, and agricultural loans	+1,958.0	+ 18.0	+858.0	r/ +1,514.0	-432.0
Purpose Classification 2/					
Defense contracts	+855.0	+246.2	+257.0	+211.9	+139.9
Defense-supporting activities:					
Plant and equipment	+728.4	+ 98.8	+292.7	+234.0	+102.9
All other	+209.3	+ 53.9	+ 63.9	+ 71.9	+ 19.6
Non-defense activities:					
Inventory and working capital	+886.3	-131.8	+301.1	+1,247.9	-530.9
Plant and equipment	+179.0	+134.0	+ 42.5	+ 1.2	+ 1.3
Retirement of non-bank debt and preferred stock	+ 28.0	- 10.6	+ 22.3	+ 7.6	+ 8.7
All other (for loans classified)	- 62.9	- 47.4	- 12.8	+ 31.3	- 34.0
Net change of classified loans 1/ 2/	+2,823.1	+343.1	+966.7	+1,805.8	-292.5

r/ Revised (week of December 26 - both items revised by one million).

1/ See footnote on preceding table regarding current coverage. During April and most of May the coverage was somewhat smaller.

2/ During April and early May, many of the banks were classifying only the new loans, and not repayments, as to purpose. The purpose classification, "Defense-supporting activities", was not generally used prior to the middle of May.

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