

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

H.12

(For Immediate Release)

February 27, 1952

CHANGES IN COMMERCIAL AND INDUSTRIAL LOANS, BY INDUSTRY AND PURPOSE

Increases of \$38 million in loans to manufacturers of metals and metal products and \$37 million to manufacturers of petroleum, coal, chemicals, and rubber products, and decreases of 23 million to commodity dealers and \$15 million to manufacturers of food, liquor, and tobacco products were the principal factors in the \$4 million net increase in commercial, industrial, and agricultural loans at weekly reporting member banks during the week ended February 20. Loans to commodity dealers and sales finance companies continued to show small decreases. Other changes were relatively small and reflected net repayments by most business categories.

The increase in loans to manufacturers of petroleum, coal, chemicals, and rubber products was the sixth consecutive and the largest weekly increase since a sample of the largest banks began reporting these data last spring.

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 February 20 <sup>p/</sup>	Since June 27 <sup>p/</sup>
	(In millions of dollars)	
Manufacturing and mining:		
Food, liquor, and tobacco	- 15	+744
<del>Textiles, apparel, and leather</del>	+ 2	-362
Metals and metal products	+ 38	+1,509
Petroleum and other	+ 47	+413
Trade — wholesale and retail	- 3	-157
Commodity dealers	- 23	+550
Sales finance companies	- 10	-342
Public utilities and transportation	- 3	+267
Construction and other	- 11	-134
Classified changes - net	+ 21	+2,489
Unclassified changes - net	- 17	-561
Net change in commercial, industrial, and agricultural loans	+ 4	+1,928

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

Loans for defense and defense-supporting activities increased \$50 million. Non-defense loans decreased \$29 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, FEBRUARY 20, 1952

(In millions of dollars)

Business of Borrower	All Dis- tricts <sup>p/</sup>	Boston	New York	Phila- delphia	Cleve- land	Rich- mond	Atlanta	Chicago	St. Louis	Minne- apolis	Kansas City	Dallas	San Fran- cisco <sup>p/</sup>
Manufacturing and mining:													
Food, liquor, and tobacco	-15.2	+ 4.1	+ 1.7	- .4	- 1.1	- .3	+ .1	- 5.4	- 2.7	- 1.9	- 1.8	- .7	- 6.8
Textiles, apparel, and leather	+ 1.7	- .5	- 1.5	- .1	+ .8	+ 1.2	- .5	+ .5	+ 1.3	+ .2	+ .3	+ .5	- .5
Metals and metal products (including machinery & transportation equipment)	+38.3	- .7	+16.1	+ .4	+ 8.3	- .1	+ .2	+ 9.3	+ .5	+ 1.0	+ 1.2	- .3	+ 2.4
Petroleum, coal, chemicals, and rubber	+37.2	+ 2.2	+26.6	+ 2.0	+ 5.6	+ .1	- .4	+ 4.3	- .2	- 2.0	- .5	- .4	- .1
Other manufacturing and mining	+10.0	+ .2	+ .9	+ 3.3	+ 1.0	+ .8	- .3	+ .9	--	+ .4	- .1	- .2	+ 3.1
Trade:													
Wholesale	( - 3.0 )	+ 1.1	+ .4	+ .4	+ .2	+ .1	+ 1.1	+ 1.2	--	+ .3	- .1	( - 1.4 )	- 3.8
Retail	( - 3.0 )	+ .3	- .4	- 2.3	- .3	+ .4	+ .2	+ 2.7	+ .7	--	+ .3	( - 1.4 )	- 4.1
Commodity dealers	-23.0	- 1.5	- 2.3	- .2	+ .4	- .9	- .1	+ .1	-12.1	+ .6	- 2.1	- 5.6	+ .7
Sales finance companies	-10.4	+ 1.4	+ 4.6	+ 1.2	+ 4.2	- 2.8	- 1.8	- 6.6	- 1.7	- .7	- 3.2	- .7	- 4.3
Public utilities (including transportation)	- 3.3	+ 1.4	- 6.5	- .1	- .2	--	--	+ 2.0	- .4	--	+ .3	- .6	+ .8
Construction	- 3.5	- .3	- 3.7	- .3	- .4	+ .4	- .2	+ 1.0	- .1	+ .3	+ .3	+ .7	- 1.2
All other types of business	- 7.5	- .4	- 2.0	- .3	+ .1	- 1.1	- 2.0	- 1.4	- .4	- .8	+ .1	+ 3.0	- 2.3
Net change of classified loans <sup>1/</sup>	+21.3	+ 7.3	+33.9	+ 3.6	+18.6	- 2.2	- 3.7	+ 8.6	-15.1	- 2.6	- 5.3	- 5.7	-16.1
Unclassified changes	-17.3	+ 1.7	- 7.9	- .6	+ 3.4	- .8	- 1.3	- 4.6	- .9	- .4	- 2.7	- 2.3	- .9
Net change in com'l, ind'l, & agr'l loans	+ 4.0	+ 9.0	+26.0	+ 3.0	+22.0	- 3.0	- 5.0	+ 4.0	-16.0	- 3.0	- 8.0	- 8.0	-17.0
<u>Purpose Classification</u>													
Defense contracts	+18.6	- .9	+12.7	+ .8	+ 1.2	--	- .4	+ 2.1	- .4	+ 1.1	+ .5	- .1	+ 2.0
Defense-supporting activities:													
Plant and equipment	+15.9	+ 1.3	+ 9.0	- .1	+ 5.0	--	+ .1	+ 4.4	+ .3	--	- 1.2	--	- 2.9
All other	+15.5	--	+16.0	- .1	+ 2.9	--	- .1	+ .2	+ .2	- .1	--	--	- 3.5
Non-defense activities:													
Inventory and working capital	-24.0	+ 7.7	- 2.4	+ 2.9	+ 9.0	- 2.8	- .9	+ 1.0	-14.6	- 3.6	- 4.1	- 7.4	- 8.8
Plant and equipment	+ 9.1	+ .1	+ 5.7	+ .1	+ 4.9	- .1	--	+ .1	--	--	- .6	- .2	- .9
Retirement of non-bank debt and preferred stock	+ 1.5	--	- .6	--	--	--	--	- .2	--	--	+ .2	+ 1.6	+ .5
All other (for loans classified)	-15.3	- .9	- 6.5	--	- 4.4	+ .7	- 2.4	+ 1.0	- .6	--	- .1	+ .4	- 2.5
Net change of classified loans <sup>1/</sup>	+21.3	+ 7.3	+33.9	+ 3.6	+18.6	- 2.2	- 3.7	+ 8.6	-15.1	- 2.6	- 5.3	- 5.7	-16.1

<sup>p/</sup> 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.