

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

H.12

(For Immediate Release)

March 5, 1952

CHANGES IN COMMERCIAL AND INDUSTRIAL LOANS, BY INDUSTRY AND PURPOSE

Increases of \$25 million in loans to manufacturers of metals and metal products, \$19 million to public utilities, and \$17 million to manufacturers or producers of petroleum, coal, chemicals, and rubber were offset by decreases of \$41 million in loans to commodity dealers, and \$34 million to manufacturers of food, liquor, and tobacco products at weekly reporting member banks during the week ended February 27. As a result, the net increase in commercial, industrial, and agricultural loans was only \$9 million.

Over two-thirds of the increase in loans to public utilities was in the San Francisco District. The increases in metals and metal product loans and to the petroleum, coal, chemicals, and rubber industries occurred in nearly all districts.

Loans to the wholesale and retail trade increased for the third consecutive week after twelve weeks of decreases.

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

<u>Business of Borrower</u>	<u>Week ended February 27<sup>p/</sup></u>	<u>Since June 27<sup>p/</sup></u>
	(In millions of dollars)	
Manufacturing and mining:		
Food, liquor, and tobacco	- 34	+708
Textiles, apparel, and leather	+ 10	-352
Metals and metal products	+ 25	+1,535
Petroleum and other	+ 25	+432
Trade -- wholesale and retail	+ 11	-142
Commodity dealers	- 41	+509
Sales finance companies	- 7	-348
Public utilities and transportation	+ 19	+284
Construction and other	+ 8	-126
Classified changes - net	+ 16	+2,199
Unclassified changes - net	- 7	-562
Net change in commercial, industrial, and agricultural loans	+ 9	+1,937

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

Loans for defense and defense-supporting activities increased \$21 million. Non-defense loans decreased \$5 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 27, 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	-34.4	- 1.8	-11.3	- 1.0	- 1.0	- 1.5	- 1.4	- 5.2	- 3.9	+ .4	- 1.1	- .7	- 5.9
Textiles, apparel, and leather	+ 9.9	- .2	+ 6.0	+ .8	+ .1	+ .4	+ .3	+ 2.5	- .1	- .7	--	+ .1	+ .7
Metals and metal products (including machinery & transportation equipment)	+24.9	+ .3	+15.9	+ 2.9	+ .8	+ .2	+ .2	+ 4.1	- .2	- .4	+ .1	+ .2	+ .8
Petroleum, coal, chemicals, and rubber	+16.8	+ .1	+ 7.9	+ 1.0	+ .6	+ .3	- .3	--	+ 1.4	+ .2	+ 1.1	+ 4.4	+ .1
Other manufacturing and mining	+ 8.5	--	+ 6.1	+ .3	+ 3.0	+ .2	- .4	+ 1.3	+ 1.2	+ .1	--	- .4	- 2.9
Trade:													
Wholesale	(+11.3)	--	+ 1.6	+ .4	+ 1.5	+ 2.6	+ .7	+ 1.5	--	+ .3	- .1	(+ 1.7)	+ .5
Retail		- 1.1	+ .9	--	- .6	+ .1	- .9	+ .5	- .1	+ 1.1	+ .2		+ .7
Commodity dealers	-41.0	- 1.5	-20.3	- .3	- .3	+ .4	- .3	- .6	- 4.5	- 1.0	- 2.9	- 1.0	- 8.7
Sales finance companies	- 6.6	+ 2.9	+ 8.5	+ .9	- 7.6	+ 1.0	+ 1.6	-11.2	- .9	--	+ 1.3	+ .9	- 4.0
Public utilities (including transportation)	+18.8	+ .3	+ 4.1	+ .3	+ .8	- .1	+ .1	+ .6	- .4	--	+ .3	--	+12.8
Construction	- 1.2	+ .1	+ 1.5	- .5	- .4	--	- .2	- .3	- .1	--	- .1	- .9	- .3
All other types of business	+ 8.9	--	+10.3	- .9	- 3.2	+ .3	+ 1.3	- .1	+ .6	+ 1.5	+ .7	- 1.7	+ .1
Net change of classified loans <sup>1/</sup>	+15.9	- .9	+31.2	+ 3.9	- 6.3	+ 3.9	+ .7	- 6.9	- 7.0	+ 1.5	- .5	+ 2.6	- 6.3
Unclassified changes	- 6.9	+ .9	- 6.2	+ .1	- .7	+ 1.1	+ .3	- 2.1	--	+ .5	- .5	+ 2.4	- 2.7
Net change in com'l, ind'l, & agr'l loans	+ 9.0	--	+25.0	+ 4.0	- 7.0	+ 5.0	+ 1.0	- 9.0	- 7.0	+ 2.0	- 1.0	+ 5.0	- 9.0
<u>Purpose Classification</u>													
Defense contracts	+13.5	+ .2	+ 9.7	+ 1.5	- .2	+ .6	+ .5	+ .3	- .4	+ .3	- .3	- .2	+ 1.5
Defense-supporting activities:													
Plant and equipment	+ 6.2	+ .1	+ 2.4	+ .1	+ 1.0	--	- .9	+ .2	- .2	--	--	--	+ 3.5
All other	+ .9	--	+ 2.5	+ .8	+ .9	--	+ .1	- .2	--	--	- .2	--	- 3.0
Non-defense activities:													
Inventory and working capital	-35.4	- 1.0	- .8	+ 1.2	- 7.2	+ 1.9	+ 1.7	- 7.7	- 6.3	+ 1.2	- 1.6	+ 1.8	-18.6
Plant and equipment	+20.4	- .1	+10.1	+ .1	--	- .2	- .2	+ .2	+ .4	--	+ 1.1	- .2	+ 9.2
Retirement of non-bank debt and preferred stock	+ 1.6	--	--	+ .1	+ .2	--	--	+ .1	--	--	--	+ 1.5	- .3
All other (for loans classified)	+ 8.7	- .1	+ 7.3	+ .1	- 1.0	+ 1.6	- .5	+ .2	- .5	--	+ .5	- .3	+ 1.4
Net change of classified loans <sup>1/</sup>	+15.9	- .9	+31.2	+ 3.9	- 6.3	+ 3.9	+ .7	- 6.9	- 7.0	+ 1.5	- .5	+ 2.6	- 6.3

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; those 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.