

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

H.12

(For Immediate Release)

March 26, 1952

CHANGES IN COMMERCIAL AND INDUSTRIAL LOANS, BY INDUSTRY AND PURPOSE

Increases occurred in most industrial categories, resulting in a \$236 million increase in commercial, industrial, and agricultural loans at weekly reporting member banks during the week ended March 19. This was the largest weekly increase since the second week in September, which was also near a tax date.

The increase of \$122 million in loans to manufacturers of metals and metal products and \$53 million to sales finance companies occurred largely in the New York and Chicago districts. A \$29 million increase in loans to the wholesale and retail trade was reflected in every district.

The only substantial decrease was in loans to commodity dealers, amounting to \$41 million; it was the twelfth consecutive weekly decrease reported in this industrial classification. Loans to manufacturers of food, liquor, and tobacco products also continued to decline.

Changes in loans classified by type of business, during the week and since December 26, 1951, were as follows:

<u>Business of Borrower</u>	<u>Week ended March 19^{p/}</u>	<u>Since December 26^{p/}</u>
	(In millions of dollars)	
Manufacturing and mining:		
Food, liquor, and tobacco	- 12	-357
Textiles, apparel, and leather	- 4	+ 24
Metals and metal products	+122	+909
Petroleum and other	+ 34	+254
Trade -- wholesale and retail	+ 29	-115
Commodity dealers	- 41	-317
Sales finance companies	+ 53	-297
Public utilities and transportation	+ 29	- 36
Construction and other	<u>+ 4</u>	<u>- 55</u>
Classified changes - net	+213	+ 10
Unclassified changes - net	<u>+ 23</u>	<u>-133</u>
Net change in commercial, industrial, and agricultural loans	+236	-123

^{p/} Preliminary; see footnote on attached table.

In the classification of loans as to purpose, loans for defense and defense-supporting activities increased \$89 million. Non-defense loans increased \$124 million, the first weekly increase in 1952.

CHANGES IN COMMERCIAL AND INDUSTRIAL LOANS OF A SAMPLE OF WEEKLY REPORTING MEMBER BANKS
BY INDUSTRY, PURPOSE, AND FEDERAL RESERVE DISTRICT,
WEEK ENDED WEDNESDAY, MARCH 19, 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	-12.1	- 2.7	-11.5	--	+ 4.2	- .5	+ .7	+ 1.2	- 1.3	- .4	- .5	- 2.0	+ .7
Textiles, apparel, and leather	- 3.9	- 2.9	- 3.2	- .6	- .2	- .6	+ 2.9	+ 1.8	- .1	+ .3	- .1	- .4	- .8
Metals and metal products (including machinery & transportation equipment)	+121.6	+ 4.2	+52.6	+ 8.5	+11.5	+ .8	- .4	+33.1	+ .5	- 1.9	+ .5	+ .4	+11.8
Petroleum, coal, chemicals, and rubber	+14.4	+ .6	+ 3.2	+ .6	+ 1.6	+ .2	+ .8	+ 3.5	+ .6	--	- 1.4	+ 2.2	+ 2.5
Other manufacturing and mining	+19.3	+ 2.6	+ 5.1	+ 1.4	+ 2.3	+ .5	+ 1.0	+ 4.7	+ 2.1	+ .6	+ .7	- .1	- 1.5
Trade:													
Wholesale	(+28.8)	+ .2	+ 1.1	+ .3	+ .9	+ 1.4	+ .1	- .6	- .2	+ 1.5	+ 1.2	(+ 2.4)	- 1.5
Retail	(+28.8)	+ 3.0	+ 8.6	+ .6	+ .2	+ 1.2	+ .8	+ 1.8	+ 1.2	+ .3	- .1	(+ 2.4)	+ 4.4
Commodity dealers	-41.4	+ 1.1	-18.2	- 2.6	--	- .6	- .7	- 1.3	- 4.9	- 2.8	- 3.2	- 4.9	- 3.3
Sales finance companies	+53.3	+ 1.2	+29.1	+ 2.4	+ 1.3	- 1.2	+ 2.6	+14.1	--	+ .9	+ 1.5	- .8	+ 2.2
Public utilities (including transportation)	+28.5	+ .6	+ 8.3	- 1.0	+11.0	- .6	--	+ 3.0	- .2	- .6	+ .2	+ .3	+ 7.5
Construction	+ 5.9	+ .3	+ .1	- .5	+ .1	+ .5	+ .2	+ 2.9	- .6	+ .1	+ .1	+ 1.9	+ .8
All other types of business	- 1.6	+ .3	- .8	- .3	+ .3	- .7	- .2	- .2	- 1.0	+ .9	+ .7	- 1.6	+ 1.0
Net change in classified loans ^{1/}	+212.8	+ 8.5	+74.4	+ 8.8	+33.2	+ .4	+ 7.8	+64.0	- 3.9	- 1.1	- .4	- 2.6	+23.7
Unclassified changes - net	+23.2	+ 3.5	- 1.4	+ 1.2	- .2	- .4	+ 1.2	+ 5.0	- .1	+ 1.1	+ .4	+ 3.6	+ 9.3
Net change in com'l, ind'l, & agr'l loans	+236.0	+12.0	+73.0	+10.0	+33.0	--	+ 9.0	+69.0	- 4.0	--	--	+ 1.0	+33.0
<u>Purpose Classification</u>													
Defense contracts	+53.7	+ 1.5	+24.0	+ 2.9	+ 6.0	- .1	--	+13.7	--	- .8	+ .1	+ .1	+ 6.3
Defense-supporting activities:													
Plant and equipment	+22.4	+ .6	+ 8.1	- .8	+ 5.9	+ .2	+ .2	+ 4.9	--	--	- .2	--	+ 3.5
All other	+12.7	--	+ .7	+ 3.3	+ 1.6	- .6	+ 2.0	+ 1.5	- .2	- .1	+ .6	--	+ 3.9
Non-defense activities:													
Inventory and working capital	+109.4	+ 4.9	+37.2	+ 3.2	+17.8	+ .2	+ 3.6	+44.4	- 4.1	- .2	- 2.6	- 3.2	+ 8.2
Plant and equipment	+ 8.4	+ .1	+ 5.3	+ .2	+ 1.4	+ .1	+ .4	--	- .4	--	+ .8	--	+ .5
Retirement of non-bank debt and preferred stock	+ 2.6	--	+ 1.0	--	- .1	--	--	--	--	--	+ .1	+ 1.3	+ .3
All other (for loans classified)	+ 3.6	+ 1.4	- 1.9	--	+ .6	+ .6	+ 1.6	- .5	+ .3	--	+ .8	- .8	+ 1.0
Net change in classified loans ^{1/}	+212.8	+ 8.5	+74.4	+ 8.8	+33.2	+ .4	+ 7.8	+64.0	- 3.9	- 1.1	- .4	- 2.6	+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.

^{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.