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BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

H.12

(For Immediate Release)

July 9, 1952

CHANGES IN COMMERCIAL AND INDUSTRIAL LOANS BY INDUSTRY

Repayments by practically all business classifications resulted in a decrease of \$217 million in commercial, industrial, and agricultural loans at weekly reporting member banks during the week ended July 2.

The decrease of \$170 million in loans to public utilities was largely telephone repayments from funds received from new security issues; this decrease was reflected principally in the New York and Chicago districts.

The decrease of \$44 million in loans to manufacturers of metals and metal products was the largest weekly decrease in this business category since a sample of the largest banks began reporting these data over a year ago.

The repayment of loans by the wholesale and retail trade, amounting to \$25 million during the week, was the largest weekly decrease in this category since the first week in February. Loans to manufacturers and producers of food, liquor, and tobacco products and to commodity dealers continued to decrease.

The only businesses reporting net increases during the week were manufacturers and producers of petroleum, coal, chemicals, and rubber products, sales finance companies, and "other" types of business.

Changes in loans during the week and since the year-end were as follows:

<u>Business of Borrower</u>	Week ended <u>July 2^{p/}</u>	Since <u>December 26^{p/}</u>
	(In millions of dollars)	
Manufacturing and mining:		
Food, liquor, and tobacco	- 33	-900
Textiles, apparel, and leather	- 7	- 80
Metals and metal products	- 44	+1,067
Petroleum, coal, chemicals, & rubber	+ 4	+180
Other manufacturing and mining	- 5	+ 72
Trade -- wholesale and retail	- 25	-130
Commodity dealers	- 7	-642
Sales finance companies	+ 39	-178
Public utilities and transportation	-170	-172
Construction	- 1	+ 17
Other types of business	+ 39	+ 11
Classified changes - net	-210	-756
Unclassified changes - net	- 7	-269
Net change in commercial, industrial, and agricultural loans	-217	-1,025

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

In addition to the weekly table a summary table is also attached showing changes during June compared with the preceding month, with June 1951, and with the past year.

Except for the continued repayments by manufacturers of food, liquor, and tobacco products and by commodity dealers, all businesses borrowed during the month of June. The entire increase occurred during the week ended June 18,

and this was the largest weekly increase during the past year. The three next largest weekly increases of the year were around the other three quarterly tax dates.

Some of the largest June increases were in loans to manufacturers of metals and metal products, to sales finance companies, to public utilities, and to "other" types of business, all of which increased at a more rapid rate than in May. Another of the larger increases was in loans to manufacturers and producers of coal, chemicals, and rubber products, which had decreased during the two previous months. Loans to manufacturers of textiles, apparel, and leather and to the wholesale and retail trade increased during June in contrast to May.

The repayments of loans by manufacturers of food, liquor, and tobacco products and by commodity dealers were at a much slower rate during June than in any previous month this year.

CHANGES IN COMMERCIAL AND INDUSTRIAL LOANS OF A SAMPLE OF WEEKLY REPORTING MEMBER BANKS
BY INDUSTRY AND FEDERAL RESERVE DISTRICT,
WEEK ENDED WEDNESDAY, JULY 2, 1952

(In millions of dollars)

Business of Borrower	All Dis- tricts p/	Boston	New York	Phila- delphia	Cleve- land	Rich- mond	Atlanta	Chicago	St. Louis	Minne- apolis	Kansas City	Dallas	San Fran- cisco/
Manufacturing and mining:													
Food, liquor, and tobacco	-32.8	+ 1.0	-15.5	- 4.7	- .5	- 1.5	+ .1	- 9.3	+ .3	- 2.6	+ 1.4	- 1.2	- .3
Textiles, apparel, and leather	- 7.0	- 2.4	- 7.7	+ .6	+ .2	- .6	+ .6	+ .3	--	--	--	+ .6	+ 1.4
Metals and metal products (including machinery & transportation equipment)	-44.4	+ 5.2	-34.0	+ 3.8	- .4	--	+ 1.8	-16.5	- 1.0	+ .2	- .4	- .9	- 2.2
Petroleum, coal, chemicals, and rubber	+ 3.6	- .1	+ 4.8	- .6	- 1.1	- .7	+ .1	- .1	+ .8	- .5	+ 1.0	+ .1	- .1
Other manufacturing and mining	- 4.5	+ 2.7	- 3.2	+ 1.3	- 2.3	- .6	- .4	- 1.9	+ .7	- .2	- .3	- .6	+ .3
Trade:													
Wholesale	(-25.1)	- .4	- 6.9	- 1.9	+ 1.6	- .4	- .8	+ .2	+ .6	+ 1.1	- .1	(.1)	- 1.5
Retail	(-25.1)	- .2	-18.1	- 1.6	- .1	+ .3	+ .7	+ 3.6	- 1.8	- .1	+ .9	(+ .1)	- .3
Commodity dealers	- 7.2	+ .8	+ 6.1	- 1.2	+ .3	- 1.7	- .6	- 2.5	- 3.1	- 1.5	- .4	- 1.5	- 1.9
Sales finance companies	+39.2	- 1.1	+26.5	+ 1.9	+ 7.0	- .6	+ 2.4	+ 1.8	+ 1.4	- 1.8	+ .2	+ 2.4	- .9
Public utilities (including transportation)	-169.9	-14.1	-144.8	+ .4	+ 4.8	+ .8	+ .4	-17.3	- .5	--	- .2	- .1	+ .7
Construction	- 1.2	- .9	- 3.2	+ 1.1	+ .2	- .7	+ 1.6	- .4	+ .4	- .3	+ .4	+ 1.8	- 1.2
All other types of business	+39.0	+ 2.4	+21.8	+ .9	- 1.8	--	+ 2.6	+ 8.3	+ 1.4	+ .1	+ .1	+ 1.4	+ 1.8
Net change in classified loans ^{1/}	-210.3	- 7.1	-174.2	--	+ 7.9	- 5.7	+ 8.5	-33.8	- .8	- 5.6	+ 2.6	+ 2.1	- 4.2
Unclassified changes - net	- 6.7	- 3.9	+ .2	- 2.0	- 6.9	+ 4.7	- 2.5	- .2	+ .8	- .4	+ .4	+ 1.9	+ 1.2
Net change in commercial, industrial, and agricultural loans	-217.0	-11.0	-174.0	- 2.0	+ 1.0	- 1.0	+ 6.0	-34.0	--	- 6.0	+ 3.0	+ 4.0	- 3.0

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; these banks hold nearly 95 per cent of total commercial and industrial loans of all weekly reporting member banks and about 70 per cent of those of all commercial banks.

H.12(b)

CHANGES IN COMMERCIAL AND INDUSTRIAL LOANS OF A SAMPLE OF WEEKLY REPORTING MEMBER BANKS BY INDUSTRY

(In millions of dollars)

Business of Borrower	4 weeks ended June 25, 1952	4 weeks ended May 28, 1952	4 weeks ended June 27, 1951	12 months ended June 25, 1952
Manufacturing and mining:				
Food, liquor, and tobacco	- 34.9	-116.0	- 39.9	+ 64.7
Textiles, apparel, and leather	+ 2.1	- 56.7	+ 64.1	-433.5
Metals and metal products (including machinery and transportation equipment)	+ 92.7	+ 28.5	+169.9	+1,984.2
Petroleum, coal, chemicals, and rubber	+ 43.7	- 34.1	+ 13.9	+301.3
Other manufacturing and mining	+ 15.8	+ .1	+ 48.9	+217.1
Trade -- wholesale and retail	+ 5.2	- 6.7	- 10.0	- 89.0
Commodity dealers	- 53.1	-118.0	-117.7	+ 87.9
Sales finance companies	+ 69.8	+ 34.9	- 3.0	-187.4
Public utilities (including transportation)	+ 58.8	+ 18.7	+ 71.8	+348.8
Construction	+ 15.1	+ 22.1	+ 30.8	- 79.7
All other types of business	+ 34.2	+ 3.9	+ 21.5	+ 8.7
Net change in classified loans ^{1/}	+249.4	-223.3	+250.3	+2,223.1
Unclassified changes - net	+ 4.6	- 42.7	- 78.3	-659.1
Net change in commercial, industrial, and agricultural loans	+254.0	-266.0	+172.0	+1,564.0

^{1/} See footnote on preceding table regarding current coverage.