

## BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

H.12

(For Immediate Release)

October 8, 1952

CHANGES IN COMMERCIAL AND INDUSTRIAL LOANS BY INDUSTRY

Continued seasonal increases in loans to manufacturers of food, liquor, and tobacco products and to commodity dealers accounted for most of the net increase, \$65 million, in commercial, industrial, and agricultural loans during the week ended October 1.

Other increases included \$16 million to manufacturers and producers of petroleum, coal, chemicals, and rubber, \$12 million to the wholesale and retail trade, and \$9 million to public utilities. These were partly offset by net repayments of \$13 million by manufacturers of metals and metal products, \$11 million by sales finance companies, and \$7 million by manufacturers of textiles, apparel, and leather.

The increases in loans to public utilities and to the wholesale and retail trade were their eleventh and fourth consecutive weekly increases, respectively. The decrease in loans to sales finance companies followed four weekly increases.

Changes in loans during the week and since June 25, 1952 were as follows:

<u>Business of Borrower</u>	Week ended October 1 <sup>p/</sup>	Since June 25 <sup>p/</sup>
(In millions of dollars)		
Manufacturing and mining:		
Food, liquor, and tobacco	+ 30	+350
Textiles, apparel, and leather	- 7	+ 57
Metals and metal products	- 13	-221
Petroleum, coal, chemicals, and rubber	+ 16	+131
Other manufacturing and mining	+ 8	+ 39
Trade -- wholesale and retail	+ 12	+ 26
Commodity dealers	+ 32	+318
Sales finance companies	- 11	+ 61
Public utilities and transportation	+ 9	- 68
Construction	- 2	+ 20
Other types of business	+ 2	+118
Classified changes - net	+ 77	+831
Unclassified changes - net	- 12	+ 56
Net change in commercial, industrial, and agricultural loans	+ 65	+887

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

In addition to the weekly table, a monthly table is attached showing changes during September compared with the preceding month, with September 1951, and with the past twelve months.

The changes during September were similar in many respects to those of August and of a year ago September. In all three months there were substantial increases in loans to manufacturers of food, liquor, and tobacco products and to commodity dealers, continuing the seasonal borrowings by these processors and distributors to finance the crop movement; and there were increases of lesser amounts to manufacturers and producers of petroleum, coal, chemicals, and rubber products, and to public utilities.

However, loans to sales finance companies, which had declined during August and had remained practically unchanged during the previous September, increased substantially during September 1952. Loans to the wholesale and retail trade increased, following two months of decreases; the increase was much larger than during September 1951.

Loans to manufacturers of metals and metal products, which had declined substantially during July and August, showed a small increase during September, in contrast to a year ago when this industry accounted for more than one-fourth of the total increase. Loans to the construction industry increased during September, by a lesser amount than in August and in contrast to a decline a year ago.

CHANGES IN COMMERCIAL AND INDUSTRIAL LOANS OF A SAMPLE OF WEEKLY REPORTING MEMBER BANKS  
BY INDUSTRY AND FEDERAL RESERVE DISTRICT,  
WEEK ENDED WEDNESDAY, OCTOBER 1, 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 p/
Manufacturing and mining:													
Food, liquor, and tobacco	+29.8	+ 1.2	+22.6	+ .5	+ 1.4	+ 1.5	- 1.7	+ 5.7	- .8	- .5	+ .4	+ 1.5	- 2.0
Textiles, apparel, and leather	- 6.9	- .2	- 2.1	- 1.6	- .8	+ .1	+ .3	+ .6	- 2.3	- .1	--	--	- .8
Metals and metal products (including machinery & transportation equipment)	-12.5	- 1.5	+ .9	+ 1.0	- 5.4	+ .3	+ .3	- 6.6	+ .4	+ .4	+ .3	--	- 2.6
Petroleum, coal, chemicals, and rubber	+16.2	+ 2.9	+12.5	- .2	- .3	- .2	+ .1	+ .4	- .1	+ .4	- .2	+ .2	+ .7
Other manufacturing and mining	+ 7.8	- 7.1	+15.8	- 1.0	- .2	--	+ .4	- .1	- .3	+ .2	--	- .1	+ .2
Trade:													
Wholesale	(+11.6)	+ .5	+ .5	+ .6	+ .2	+ .8	+ .1	- 1.7	+ 1.0	- .2	+ .6	( )	+ .4
Retail		+ .3	+ 4.9	+ 1.0	+ .7	- .1	- .6	+ .8	+ .1	+ .4	+ .5	(+ 1.5)	- .7
Commodity dealers	+32.4	- .8	+10.0	+ .8	+ 1.2	+ .7	+ 6.6	+ 1.8	+ 9.9	- 1.4	- .7	+ 5.4	- 1.1
Sales finance companies	-11.2	- .1	+ 4.4	+ .8	- .9	+ 1.1	+ .4	-10.3	- 5.4	--	+ .4	- 1.3	- .3
Public utilities (including transportation)	+ 9.1	+ 7.7	+17.2	--	-14.9	+ .6	- .9	- 2.0	- .3	--	- .1	--	+ 1.8
Construction	- 1.7	+ .1	- .1	- .9	- .6	+ .3	- .3	+ 1.2	- 1.8	- .4	+ .6	+ .4	- .2
All other types of business	+ 2.3	+ .6	+ 1.5	+ .2	- 2.4	+ .7	+ 1.5	+ .4	- .8	- .1	- .4	+ .8	+ .3
Net change of classified loans <sup>1/</sup>	+76.9	+ 3.6	+88.1	+ 1.2	-22.0	+ 5.8	+ 6.2	- 9.8	- .4	- 1.3	+ 1.4	+ 8.4	- 4.3
Unclassified changes - net	-11.9	- .6	-25.1	- .2	- 2.0	+ 1.2	- 1.2	- .2	- 3.6	+ 1.3	+ 1.6	- 1.4	+18.3
Net change in commercial, industrial, and agricultural loans	+65.0	+ 3.0	+63.0	+ 1.0	-24.0	+ 7.0	+ 5.0	-10.0	- 4.0	--	+ 3.0	+ 7.0	+14.0

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.

<sup>1/</sup> About 210 weekly reporting member banks are reporting changes in their larger loans as to industry; these banks hold over 90 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.

## 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 September 24, 1952	4 weeks ended August 27, 1952	4 weeks ended September 26, 1951	12 months ended September 24, 1952
Manufacturing and mining:				
Food, liquor, and tobacco	+176.4	+167.2	+208.0	+153.1
Textiles, apparel, and leather	+ 6.9	+ 36.7	- 37.1	-292.0
Metals and metal products (including machinery and transportation equipment)	+ 5.6	-105.3	+166.9	+1,324.1
Petroleum, coal, chemicals, and rubber	+ 18.4	+ 67.7	+ 42.0	+374.4
Other manufacturing and mining	+ 17.8	+ 7.4	+ 18.1	+178.0
Trade -- wholesale and retail	+ 50.0	- 3.2	+ 7.7	- 97.1
Commodity dealers	+143.9	+ 83.1	+100.1	+209.7
Sales finance companies	+141.3	- 36.5	+ 1.4	- 14.6
Public utilities (including transportation)	+ 50.2	+ 37.7	+104.9	+ 53.5
Construction	+ 3.3	+ 12.4	- 33.1	- 25.3
All other types of business	+ 25.6	+ 36.4	+ 14.9	+150.1
Net change in classified loans <sup>1/</sup>	+639.4	+303.6	+593.8	+2,013.9
Unclassified changes - net	+ 40.6	r/+ 41.4	- 17.8	-485.9
Net change in commercial, industrial, and agricultural loans	+680.0	r/+345.0	+576.0	+1,528.0

r/ Revised.

<sup>1/</sup> See footnote on preceding table regarding current coverage.