BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

H.12 (For Immediate Release) January 14, 1953

CHANGES IN COMMERCIAL AND INDUSTRIAL LOANS BY INDUSTRY

Repayments by all business classifications resulted in a decrease of $226 million in commercial, industrial, and agricultural loans at weekly reporting member banks during the week ended January 7. This was the largest weekly decrease in these loans since April 1949.

The principal decreases were $67 million in unclassified loans, $30 million each in loans to commodity dealers and sales finance companies, $26 million in "other" types of business, $24 million in loans to manufacturers of food, liquor, and tobacco products, and $21 million to the wholesale and retail trade.

The decrease in loans to sales finance companies followed five weeks of increases that had totaled $406 million.

The major portion of the decline in loans to manufacturers of food, liquor, and tobacco products was in the Chicago District and that of commodity dealers was in the New York District. The decline in loans to the wholesale and retail trade was reflected in all districts except Atlanta and Minneapolis.

Changes in loans during the week and since mid-1952 were as follows:

Business of Borrower	Week ended January 7 p/	Since June 25 p/
	(In millions of dollars)	
Manufacturing and mining:		
Food, liquor, and tobacco	- 24	+731
Textiles, apparel, and leather	- 1	- 41
Metals and metal products	--	+ 1
Petroleum, coal, chemicals, & rubber	- 9	+242
Other manufacturing and mining	- 12	+ 24
Trade -- wholesale and retail	- 21	+120
Commodity dealers	- 30	+631
Sales finance companies	- 30	+514
Public utilities and transportation	- 4	- 60
Construction	- 4	+ 9
Other types of business	- 26	+165
Classified changes - net	-159	+2,335
Unclassified changes - net	- 67	-139
Net change in commercial, industrial, and agricultural loans	-226	+2,196

p/ Preliminary; see footnote on attached table.

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

Changes during December were similar in many respects to those of November and a year-ago December. However, the increase in loans to sales finance companies, which accounted for most of the net increase in classified loans during the month, was the largest monthly increase in this business category since the series was inaugurated in the spring of 1951.

Loans to the wholesale and retail trade, which had increased in each month since August, declined substantially in December.

The smaller net increases in loans to manufacturers of food, liquor, and tobacco products and to commodity dealers during December 1952 as compared with December 1951 partly reflect the inclusion this year of the year-end week that normally shows large repayments; but also, the seasonal borrowings by these business classifications during the last half of 1952 were less than in the corresponding period of 1951.

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H.12(a)

CHANGES IN COMMERCIAL AND INDUSTRIAL LOANS OF A SAMPLE OF WEEKLY REPORTING MEMBER BANKS BY INDUSTRY AND FEDERAL RESERVE DISTRICT, WEEK ENDED WEDNESDAY, JANUARY 7, 1953

(In millions of dollars)

Business of Borrower	All Districts p/	Boston	New York	Philadelphia	Cleveland	Richmond	Atlanta	Chicago	St. Louis	Minneapolis	Kansas City	Dallas	San Francisco p/
Manufacturing and mining:													
Food, liquor, and tobacco	-23.6	- .4	- 2.6	- 1.3	+ 1.3	- 1.9	- .8	-18.8	--	- .8	- 1.4	+ 4.0	- .9
Textiles, apparel, and leather	- .5	- 4.4	- 1.2	+ 1.0	+ 1.6	- .4	+ .6	- .5	+ .2	--	+ .7	+ .4	+ 1.5
Metals and metal products (including machinery & transportation equipment)	--	- 1.8	--	+ .3	+ .8	+ .5	+ .4	--	- .4	+ .5	- .2	- .7	+ .6
Petroleum, coal, chemicals, and rubber	- 8.6	- .2	-11.2	- .1	- .8	- .6	- .5	+ 5.3	--	- .4	--	+ .3	- .4
Other manufacturing and mining	-11.8	+ .6	- 2.6	+ .4	- .2	- 1.3	- 1.6	- 3.2	+ 1.3	+ .1	- .4	- .4	- 4.5
Trade:													
Wholesale	( )	- .6	- 3.9	- .4	- 1.3	- .4	--	- 1.5	- .4	+ .3	- 1.3	( )	- 1.6
Retail	(-20.7)	+ .4	- 5.8	- 1.1	- .1	- .5	+ .8	+ 1.0	- .1	+ .1	+ .3	(- 1.8)	- 2.8
Commodity dealers	-30.2	- 3.2	-20.1	- 2.8	- .9	- 1.7	- .8	- 4.1	+ 4.7	+ 2.4	- .8	- 3.0	+ .1
Sales finance companies	-29.9	+ 1.4	-34.6	+ 1.8	+ 2.9	- .3	- 1.9	+ 2.3	- 2.9	+ 1.1	+ .6	- 1.8	+ 1.5
Public utilities (including transportation)	- 3.5	- .4	- 2.3	- .7	+ .7	- .1	- .2	- 2.2	+ 2.0	--	- .1	+ .5	- .7
Construction	- 3.7	- .3	- 1.5	- .1	- .4	- .2	- .6	- .3	- .5	- .3	--	+ 1.8	- 1.3
All other types of business	-26.1	- .3	- 7.6	- .5	- 1.6	- 2.1	+ .8	- 1.1	- 2.9	+ .1	- .2	- 5.5	- 5.2
Net change in classified loans 1/	-158.6	- 9.2	-93.4	- 3.5	+ 2.0	- 9.0	- 3.8	-23.1	+ 1.0	+ 3.1	- 2.8	- 6.2	-13.7
Unclassified changes - net	-67.4	+ 2.2	-25.6	+ 1.5	- 4.0	-14.0	- .2	-11.9	- 3.0	- 1.1	- 1.2	+ 2.2	-12.3
Net change in commercial, industrial, and agricultural loans	-226.0	- 7.0	-119.0	- 2.0	- 2.0	-23.0	- 4.0	-35.0	- 2.0	+ 2.0	- 4.0	- 4.0	-26.0

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 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.

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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	5 weeks ended December 31, 1952	4 weeks ended November 26, 1952	4 weeks ended December 26, 1951	12 months ended December 31, 1952
Manufacturing and mining:				
Food, liquor, and tobacco	+ 67.8	+156.1	+248.9	-113.4
Textiles, apparel, and leather	- 32.9	- 17.0	- 50.6	-112.9
Metals and metal products (including machinery and transportation equipment)	+ 30.9	+ 66.7	+220.3	+1,111.5
Petroleum, coal, chemicals, and rubber	+ 46.2	+ 46.5	+ 35.9	+426.0
Other manufacturing and mining	- 33.9	+ 2.7	+ 37.3	+111.8
Trade -- wholesale and retail	- 86.1	+ 91.1	- 54.6	+ 35.9
Commodity dealers	+ 2.0	+112.1	+159.0	+ 27.3
Sales finance companies	+406.4	+ 65.3	+138.0	+326.9
Public utilities (including transportation)	+ 11.5	+ 68.5	+ 30.3	- 58.7
Construction	- 9.9	- 2.9	- 16.9	+ 31.0
All other types of business	+ 62.5	+ 21.3	+ 53.0	+162.7
Net change in classified loans 1/	+464.5	+610.4	+800.6	+1,948.1
Unclassified changes - net	-134.5	- 8.4	- 73.6	-334.1
Net change in commercial, industrial, and agricultural loans	+330.0	+602.0	+727.0	+1,614.0

1/ See footnote on preceding table regarding current coverage.

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