

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

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(For Immediate Release)

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CHANGES IN COMMERCIAL AND INDUSTRIAL LOANS BY INDUSTRY

Increases of \$45 million in loans to manufacturers of metals and metal products, \$33 million to sales finance companies, and \$26 million to the wholesale and retail trade were the principal factors in the \$32 million increase in commercial, industrial, and agricultural loans at weekly reporting member banks during the week ended March 4. Partially offsetting decreases included \$29 million in loans to public utilities and \$26 million each to manufacturers of food, liquor, and tobacco products and to commodity dealers.

Increases were also reported in loans to manufacturers of textiles, apparel, and leather products, amounting to \$12 million, and to manufacturers and producers of petroleum, coal, chemicals, and rubber products, amounting to \$10 million.

Most of the increase in loans to the wholesale and retail trade occurred in the New York, Cleveland, and San Francisco districts; there were smaller increases in all but two of the other districts.

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

<u>Business of Borrower</u>	Week ended March 4 ^{p/}	Since December 31 ^{p/}	Since June 25 ^{p/}
	(In millions of dollars)		
Manufacturing and mining:			
Food, liquor, and tobacco	- 26	-200	+554
Textiles, apparel, and leather	+ 12	+ 87	+ 46
Metals and metal products	+ 45	+167	+167
Petroleum, coal, chemicals, & rubber	+ 10	+ 7	+257
Other manufacturing and mining	+ 2	- 15	+ 20
Trade -- wholesale and retail	+ 26	- 1	+141
Commodity dealers	- 26	-198	+464
Sales finance companies	+ 33	- 88	+456
Public utilities and transportation	- 29	- 62	-118
Construction	- 5	- 9	+ 4
Other types of business	<u>+ 9</u>	<u>- 11</u>	<u>+181</u>
Classified changes - net	+ 49	-323	+2,171
Unclassified changes - net	<u>- 17</u>	<u>-154</u>	<u>-226</u>
Net change in commercial, industrial, and agricultural loans	+ 32	-477	+1,945

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

In addition to the weekly table, a monthly table is attached showing changes during February compared with the preceding month, with February 1952, and with the past twelve months.

The changes during February were similar in many respects to those of January and of a year ago February. In all three months there were repayments by manufacturers of food, liquor, and tobacco products, by commodity dealers, and by sales finance companies; and there were increases to manufacturers of textiles, apparel, and leather products and to manufacturers of metals and metal products.

However, loans to manufacturers and producers of petroleum, coal, chemicals, and rubber products remained practically unchanged during both January and February 1953; this was in contrast to a year ago, when they increased substantially.

Loans to public utilities, which had increased during January and had declined by only a nominal amount in the previous February, declined substantially during February 1953. Loans to the wholesale and retail trade increased, following two months of decreases; the increase was in contrast to a small decline during February 1952.

CHANGES IN COMMERCIAL AND INDUSTRIAL LOANS OF A SAMPLE OF WEEKLY REPORTING MEMBER BANKS
BY INDUSTRY AND FEDERAL RESERVE DISTRICT,
WEEK ENDED WEDNESDAY, MARCH 4, 1953

(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	-26.0	+ .4	-10.9	- .1	+ 1.2	- 1.6	- .4	- 2.6	- 5.0	+ .1	- 1.7	- 1.2	- 4.2
Textiles, apparel, and leather	+11.5	+ 1.0	+ 5.5	+ 1.1	+ .2	+ .6	--	+ 1.8	+ .5	+ .5	+ .2	- .2	+ .3
Metals and metal products (including machinery & transportation equipment)	+44.5	+ .9	+23.0	+ 3.9	+ 5.0	- .1	+ .6	+ 7.5	+ 1.0	+ .7	+ .6	+ 1.7	- .3
Petroleum, coal, chemicals, and rubber	+ 9.6	+ .9	+ 3.2	- .5	+ 3.1	+ 1.4	- .2	- .7	--	--	+ .6	+ 1.3	+ .5
Other manufacturing and mining	+ 1.9	+ .2	+ 3.9	- .9	- .9	- .3	- .6	+ .1	+ .8	--	--	- .8	+ .4
Trade:													
Wholesale	(+25.6)	--	- 1.6	+ 1.8	- .7	- .2	+ 2.4	+ .3	- .7	--	+ 1.0	(- .8)	+ 1.8
Retail		--	+ 6.5	+ 1.3	+ 7.2	+ .7	+ .4	+ .6	+ .8	+ .5	+ .5	(- .8)	+ 3.8
Commodity dealers	-26.4	- 1.2	- 7.6	+ .8	- .1	- 1.4	- .3	- 5.0	- 4.8	--	- 1.8	- 4.1	- .9
Sales finance companies	+33.4	+ 2.8	+16.7	+ 2.3	- .3	+ 1.8	+ 2.3	+ 6.7	+ .8	- .5	- .1	+ 2.5	- 1.6
Public utilities (including transportation)	-28.7	+ 4.0	-35.0	+ .7	+ 1.2	- .7	--	- .7	- .3	+ .5	--	+ .4	+ 1.2
Construction	- 5.2	+ 1.5	- 5.0	- .2	- .4	--	- .1	- .3	+ .6	--	- .5	- .7	- .1
All other types of business	+ 8.9	- 1.2	+16.9	+ .4	+ 1.1	+ 2.1	- 1.7	- 1.6	- .7	- .4	+ .1	- 5.2	- .9
Net change in classified loans ^{1/}	+49.1	+ 9.3	+15.6	+10.6	+16.6	+ 2.3	+ 2.4	+ 6.1	- 7.0	+ 1.4	- 1.1	- 7.1	--
Unclassified changes - net	-17.1	- 2.3	- 2.6	+ 1.4	- 1.6	- .3	- .4	+ 3.9	--	+ .6	- 6.9	- 7.9	- 1.0
Net change in commercial, industrial, and agricultural loans	+32.0	+ 7.0	+13.0	+12.0	+15.0	+ 2.0	+ 2.0	+10.0	- 7.0	+ 2.0	- 8.0	-15.0	- 1.0

^{p/} Preliminary; final totals will appear in the F.R. Bulletin and San Francisco District final 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.

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 February 25, 1953	4 weeks ended January 28, 1953	4 weeks ended February 27, 1952	12 months ended February 25, 1953
Manufacturing and mining:				
Food, liquor, and tobacco	-142.3	- 32.0	-112.5	- 57.0
Textiles, apparel, and leather	+ 68.9	+ 6.1	+ 47.7	- 46.9
Metals and metal products (including machinery and transportation equipment)	+ 31.8	+ 90.3	+140.7	+572.8
Petroleum, coal, chemicals, and rubber	- 1.1	- 1.6	+103.9	+280.1
Other manufacturing and mining	- 7.3	- 9.9	+ 18.5	+ 72.2
Trade -- wholesale and retail	+ 25.3	- 51.4	- 5.0	+169.8
Commodity dealers	- 81.9	- 89.4	-120.9	+ 69.5
Sales finance companies	- 15.3	-106.2	- 59.4	+584.3
Public utilities (including transportation)	- 57.4	+ 24.6	- 10.0	- 28.1
Construction	+ .2	- 3.9	- 6.9	+ 63.8
All other types of business	+ 26.2	- 45.6	+ 18.2	+173.9
Net change in classified loans ^{1/}	-152.9	-219.0	+ 14.3	+1,854.4
Unclassified changes - net	+ 12.9	-150.0	- 17.3	-314.4
Net change in commercial, industrial, and agricultural loans	-140.0	-369.0	- 3.0	+1,540.0

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