

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM
(For Immediate Release) May 13, 1953
CHANGES IN COMMERCIAL AND INDUSTRIAL LOANS, BY INDUSTRY

Moderate increases in loans to practically all business classifications were largely offset by declines of \$32 million in loans to commodity dealers and \$30 million to manufacturers of food, liquor, and tobacco products, with the result that the net increase in commercial, industrial, and agricultural loans at weekly reporting member banks during the week ended May 6 was only \$6 million.

The principal increases were \$17 million to public utilities, \$15 million to the wholesale and retail trade, and \$13 million to manufacturers and producers of petroleum, coal, chemicals, and rubber products.

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

<u>Business of Borrower</u>	Week ended May 6 p/	Since December 31 p/
	(In millions of dollars):	
Manufacturing and mining:		
Food, liquor, and tobacco	- 30	- 483
Textiles, apparel, and leather	+ 1	+ 130
Metals and metal products	+ 9	+ 349
Petroleum, coal, chemicals, & rubber	+ 13	+ 63
Other manufacturing and mining	+ 6	+ 31
Trade -- wholesale and retail	+ 15	+ 197
Commodity dealers	- 32	- 449
Sales finance companies	+ 9	+ 8
Public utilities and transportation	+ 17	+ 117
Construction	+ 5	+ 10
Other types of business	<u>+ 7</u>	<u>- 23</u>
Classified changes - net	+ 19	- 52
Unclassified changes - net	<u>- 13</u>	<u>1/ - 208</u>
Net change in commercial, industrial, and agricultural loans	+ 6	<u>1/ - 260</u>

p/ Preliminary; see footnote on attached table.

1/ Excludes increase of \$193 million in commercial, industrial, and agricultural loans resulting from revision of series, March 4, 1953.

In addition to the usual weekly table, a monthly table is attached showing changes during April 1953 compared with the preceding month, with April 1952, and with the past twelve months.

The changes during April were quite similar in many respects to those during March and a year ago April. There were further repayments in loans by manufacturers of food, liquor, and tobacco products and by commodity dealers, and further increases in loans to sales finance companies, to the wholesale and retail trade, and to manufacturers of metals and metal products. However, the rate of increase was somewhat different from the preceding period in the latter three categories. In sales finance companies, it was much greater than in either the preceding month or in April a year ago. The increase in loans to the wholesale and retail trade in April was much less than in March but more than in April a year ago. The increase in loans to manufacturers of metals and metal products was only a small fraction of the March rise and about half of the increase in April 1952.

Loans to public utilities and to manufacturers and producers of petroleum, coal, chemicals, and rubber products increased during April as well as during the preceding month; these increases were in contrast to declines in April a year ago.

Loans to manufacturers of textiles, apparel and leather products declined in April, the first monthly decline this year. Following increases in February and March, loans to the construction industry also declined in April; this was in contrast to an increase in April 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, MAY 6, 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	- 30.3	+ 4.4	-24.3	- .4	- .5	+ .9	- .1	- 7.1	- 1.2	- .3	+ 1.3	- .5	- 2.5
Textiles, apparel, and leather	+ 1.4	+ 1.4	- 2.5	+ .6	--	+ .3	+ .5	+ .7	- .6	+ .2	--	+ .1	+ .7
Metals and metal products (including machinery & transportation equipment)	+ 8.8	+ 2.3	+ 8.9	- .8	- 5.9	- .4	- .1	+ 1.9	- .1	+ .1	--	+ 2.0	+ .9
Petroleum, coal, chemicals, and rubber	+ 12.9	+ .6	+ 9.4	+ .9	+ .4	- .9	--	+ 2.5	--	--	+ .5	- .7	+ .2
Other manufacturing and mining	+ 5.5	+ 1.8	+ 3.7	- 3.5	+ 3.3	+ .4	- .4	+ 1.0	- .5	+ .3	+ .2	- .4	- .4
Trade:													
Wholesale	(+ 14.5)	+ .9	--	+ .5	- .1	+ .7	- .5	+ 1.8	+ 1.3	+ .5	+ .1	(+ 1.3)	- 1.0
Retail	(+ 14.5)	+ .9	+ 1.8	+ .5	+ .5	- 1.5	+ .2	+ 1.7	+ 1.6	--	+ .4	(+ 1.3)	+ 2.9
Commodity dealers	- 32.0	- 1.8	- 7.4	- 1.4	- .4	+ .4	+ 1.2	- 4.7	- 2.5	- 4.7	- 2.4	- 7.4	- .9
Sales finance companies	+ 9.2	- .6	+ 2.7	+ 3.2	+ 8.8	- .1	+ 2.3	- 6.0	--	+ 1.9	- .3	+ 1.4	- 4.1
Public utilities (including transportation)	+ 16.5	- 1.2	+13.4	- .3	+ 4.1	+ .2	- .1	- .7	- .6	--	- .2	- 1.2	+ 3.1
Construction	+ 4.7	+ .7	+ 3.9	+ .1	--	--	+ .6	- 1.0	+ .5	- .1	- .2	+ 1.2	- 1.0
All other types of business	+ 7.3	- .3	+ 4.8	- .4	- 1.3	+ .7	- 2.2	+ 2.2	--	- .1	+ .2	+ .2	+ 3.5
Net change in classified loans <u>1/</u>	+ 18.5	+ 9.1	+14.4	- 1.0	+ 8.9	+ .7	+ 1.4	- 7.7	- 2.1	- 2.2	- .4	- 4.0	+ 1.4
Unclassified changes - net	- 12.5	- .1	-12.4	+ 1.0	+ .1	- .7	- 2.4	+ 2.7	+ .1	+ 2.2	- 5.6	+ 1.0	+ 1.6
Net change in commercial, industrial, and agricultural loans	+ 6.0	+ 9.0	+ 2.0	--	+ 9.0	--	- 1.0	- 5.0	- 2.0	--	- 6.0	- 3.0	+ 3.0

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 215 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 nearly 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	5 weeks ended April 29, 1953	4 weeks ended March 25, 1953	5 weeks ended April 30, 1952	12 months ended April 29, 1953
Manufacturing and mining:				
Food, liquor, and tobacco	-216.4	- 62.1	-295.1	+ 150.4
Textiles, apparel, and leather	- 25.1	+ 78.6	- 34.6	+ 33.7
Metals and metal products (including machinery and transportation equipment)	+ 18.9	+198.7	+ 41.4	+ 461.5
Petroleum, coal, chemicals, and rubber	+ 13.4	+ 39.6	- 26.0	+ 310.0
Other manufacturing and mining	+ .4	+ 42.6	+ 4.8	+ 77.4
Trade -- wholesale and retail	+ 64.9	+143.3	+ 20.1	+ 321.7
Commodity dealers	-116.5	-129.4	-130.5	+ 73.3
Sales finance companies	+105.0	+ 15.4	+ 2.8	+ 647.5
Public utilities (including transportation)	+ 65.9	+ 66.9	- 70.1	+ 120.8
Construction	- 12.1	+ 20.8	+ 17.1	+ 54.8
All other types of business	- 17.7	+ 6.7	- 28.5	+ 198.7
Net change in classified loans <u>1/</u>	-119.3	+421.1	-498.6	+2,449.8
Unclassified changes - net	- 84.7	<u>2/</u> + 25.9	- 69.4	<u>2/</u> - 305.8
Net change in commercial, industrial, and agricultural loans	-204.0	<u>2/</u> +447.0	-568.0	<u>2/</u> +2,144.0

1/ See footnote on preceding table regarding current coverage.

2/ Excludes increase of \$193 million in commercial, industrial, and agricultural loans resulting from revision of the weekly reporting member bank series, March 4, 1953.