

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 in loans of \$32 million to commodity dealers, \$18 million to sales finance companies, and \$16 million to the wholesale and retail trade were partly offset by decreases of \$14 million to public utilities, \$12 million to manufacturers of textiles, apparel, and leather products, \$10 million to manufacturers of metals and metal products, and \$9 million to "other" types of business. The net increase in commercial, industrial, and agricultural loans at weekly reporting member banks during the week ended November 4 was \$14 million.

The increase of \$2 million to manufacturers of food, liquor, and tobacco products was the smallest weekly increase in this business category since seasonal borrowings began in August. The decrease in loans to public utilities was in the New York District; other districts showed nominal changes during the week.

Changes in loans during the week and since mid-year are shown below; the third column shows the changes during the comparable period last year:

<u>Business of Borrower</u>	<u>Week ended November 4^{p/}</u>	<u>Cumulative since mid-year June 24, 1953^{p/}</u>	<u>Corresponding period, 1952</u>
	(In millions of dollars)		
Manufacturing and mining:			
Food, liquor, and tobacco	+ 2	+344	+574
Textiles, apparel, and leather	- 12	- 22	+ 15
Metals and metal products	- 10	-252	- 66
Petroleum, coal, chemicals, & rubber	- 6	+ 43	+162
Other manufacturing and mining	- 7	- 2	+ 67
Trade -- wholesale and retail	+ 16	+135	+155
Commodity dealers	+ 32	+278	+593
Sales finance companies	+ 18	-235	+118
Public utilities & transportation	- 14	+ 55	-103
Construction	--	--	+ 23
Other types of business	- 9	+ 79	+106
Classified changes - net	+ 11	+423	+1,644
Unclassified changes - net	+ 3	+ 95	+ 56
Net change in commercial, industrial, and agricultural loans	+ 14	+518	+1,700

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

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

Changes were in the same direction as in September except in public utilities where loans increased in contrast to a decrease in the previous month.

Additional borrowings were made by commodity dealers, manufacturers of food, liquor, and tobacco products, the wholesale and retail trade, and by manufacturers and producers of petroleum, coal, chemicals, and rubber products. The increases in loans to commodity dealers and to the wholesale and retail trade were larger than in the previous month, but less than in October 1952. The increase in loans to manufacturers of food, liquor, and tobacco products was relatively small as compared with both the previous month and a year ago October. October repayments by manufacturers of metals and metal products were small as compared with September and in contrast to an increase in October 1952; but repayments by sales finance companies were heavy throughout October.

It has been estimated that the new issue of Commodity Credit Corporation certificates of interest on October 28, 1953, reflected in the increase in unclassified changes - net, accounted for a large portion of the increase in commercial, industrial, and agricultural loans at weekly reporting member banks during October.

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

Business of Borrower	All Dis- tricts <u>P/</u>	Boston	New York	Phila- delphia	Cleve- land	Rich- mond	Atlanta	Chicago	St. Louis	Minne- apolis	Kansas City	Dallas	San Fran- cisco <u>P/</u>
(In millions of dollars)													
Manufacturing and mining:													
Food, liquor, and tobacco	+ 2.0	- .9	-10.3	+ 9.8	- 1.9	+ 1.5	- 1.1	+ 2.3	+ .9	- .6	+ .7	+ 1.2	+ .4
Textiles, apparel, and leather	-12.2	- .8	- 5.7	- 1.6	- .2	- .1	- .2	- .7	- 2.2	--	+ .1	- .2	- .6
Metals and metal products (including machinery & transportation equipment)	- 9.8	- .9	- .3	+ .7	- 7.9	--	+ .3	- 3.9	+ .1	+ .5	- .2	+ .6	+ 1.2
Petroleum, coal, chemicals, and rubber	- 6.1	- .2	- 6.0	+ .1	- 1.2	+ .1	+ .1	+ .8	- .1	+ .1	+ .2	+ .1	- .1
Other manufacturing and mining	- 6.5	- 2.2	- 2.7	- .3	+ .3	- .4	- .8	+ .2	- .4	--	- .2	- .8	+ .8
Trade:													
Wholesale	(+16.4)	+ 1.6	- 4.0	+ .2	- 3.4	+ .4	+ 1.3	+ .4	+ 1.2	- 1.0	+ 1.5	(+ 3.2)	- 1.8
Retail	(+16.4)	+ .1	+ 9.5	+ 1.7	+ .4	--	+ 1.1	- 2.7	+ .3	- .5	+ .5	(+ 3.2)	+ 6.4
Commodity dealers	+31.8	--	+14.6	+ .7	+ 1.0	+ 1.1	+ 3.1	- .5	+ 2.2	+ .8	- .7	+ 4.1	+ 5.4
Sales finance companies	+17.8	- .3	+32.2	- 4.3	- .5	- 1.0	+ .6	- 1.4	- .5	- 2.4	+ .1	- 3.5	- 1.2
Public utilities (including transportation)	-14.1	+ .3	-14.4	+ .5	+ .5	+ .4	- .6	--	- .3	--	- .1	- .2	- .2
Construction	+ .4	+ .8	+ .4	- 1.4	- 1.6	- .5	- .5	+ 1.5	- .6	+ .6	- .4	+ 2.2	- .1
All other types of business	- 9.1	- 1.8	- 3.2	+ .1	- .7	+ 1.7	+ 6.6	- 4.7	- 1.3	- 1.9	- .3	- 1.3	- 2.3
Net change in classified loans ^{1/}	+10.6	- 4.3	+10.1	+ 6.2	-15.2	+ 3.2	+ 9.9	- 8.7	- .7	- 4.4	+ 1.2	+ 5.4	+ 7.9
Unclassified changes - net	+ 3.4	- 1.7	-19.1	+ .8	+ 3.2	+ 1.8	+ 4.1	- 2.3	+11.7	- .6	- .2	- 1.4	+ 7.1
Net change in commercial, industrial, and agricultural loans	+14.0	- 6.0	- 9.0	+ 7.0	-12.0	+ 5.0	+14.0	-11.0	+11.0	- 5.0	+ 1.0	+ 4.0	+15.0

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 220 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

Business of Borrower	4 weeks ended Oct. 28, 1953	5 weeks ended Sept. 30, 1953	5 weeks ended Oct. 29, 1952	12 months ended Oct. 28, 1953
	(In millions of dollars)			
Manufacturing and mining:				
Food, liquor, and tobacco	+123.7	+248.4	+210.4	- 55.0
Textiles, apparel, and leather	- 62.8	- 13.9	- 54.3	+ 91.0
Metals and metal products (including machinery and transportation equipment)	- 19.9	-158.9	+111.4	+ 301.2
Petroleum, coal, chemicals, and rubber	+ 13.7	+ 39.1	+ 42.3	+ 131.8
Other manufacturing and mining	- 9.0	- 4.2	+ 36.2	+ 68.2
Trade -- wholesale and retail	+ 84.1	+ 55.2	+121.6	+ 331.5
Commodity dealers	+164.7	+ 67.9	+261.6	- 272.2
Sales finance companies	-199.0	- 29.3	- .3	+ 129.8
Public utilities (including transportation)	+ 23.1	- 13.2	- 59.7	+ 233.2
Construction	- 9.3	- 5.1	+ 3.9	+ 4.4
All other types of business	+ 3.3	+ 25.9	- 8.0	+ 163.9
New change in classified loans ^{1/}	+112.6	+211.9	+665.1	+1,127.8
Unclassified changes - net	+ 85.4	+ .1	+ 9.9	- 283.8
Net change in commercial, industrial, and agricultural loans	+198.0	+212.0	+675.0	+ 844.0

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