

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

H,12

(For Immediate Release)

December 2, 1953

CHANGES IN COMMERCIAL AND INDUSTRIAL LOANS BY INDUSTRY

Repayments by practically all business classifications resulted in a decrease of \$160 million in commercial, industrial, and agricultural loans at weekly reporting member banks during the week ended November 25. This was the largest weekly decrease in these loans since September 23.

The principal decreases were \$56 million in unclassified loans, \$30 million in loans to "other" types of business, \$28 million to sales finance companies, \$21 million to manufacturers of metals and metal products, and \$16 million to manufacturers of textiles, apparel, and leather products.

A decrease of \$5 million in loans to manufacturers of food, liquor, and tobacco products followed sixteen consecutive weeks of increases. There was only a nominal decrease in loans to the wholesale and retail trade, but it was the first weekly decrease reported by this business category since August 26.

Commodity dealers were the only business group reporting a net increase in loans during the week; it amounted to \$16 million.

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> | Week | <u>Cumulative since mid-year</u> | |
|--|------------------------------------|----------------------------------|-------------------------------|
| | ended November 25 ^{p/} | June 24, 1953 ^{p/} | Corresponding period, 1952 |
| | (In millions of dollars) | | |
| Manufacturing and mining: | | | |
| Food, liquor, and tobacco | - 5 | +410 | +686 |
| Textiles, apparel, and leather | - 16 | - 66 | - 7 |
| Metals and metal products | - 21 | -259 | - 30 |
| Petroleum, coal, chemicals, & rubber | -- | + 57 | +204 |
| Other manufacturing and mining | - 4 | - 17 | + 70 |
| Trade -- wholesale and retail | - 1 | +186 | +227 |
| Commodity dealers | + 16 | +325 | +660 |
| Sales finance companies | - 28 | -308 | +138 |
| Public utilities & transportation | - 11 | - 1 | - 68 |
| Construction | - 4 | - 1 | + 23 |
| Other types of business | - 30 | + 65 | +129 |
| Classified changes - net | -104 | +392 | +2,029 |
| Unclassified changes - net | - 56 | + 28 | + 63 |
| Net change in commercial, industrial, and agricultural loans | -160 | +420 | +2,092 |

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

CHANGES IN COMMERCIAL AND INDUSTRIAL LOANS OF A SAMPLE OF WEEKLY REPORTING MEMBER BANKS
BY INDUSTRY AND FEDERAL RESERVE DISTRICT,
WEEK ENDED WEDNESDAY, NOVEMBER 25, 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 | - 5.4 | - .3 | -13.4 | + 1.6 | + .6 | -- | - .2 | + 3.6 | - .6 | - .1 | + 2.6 | -- | + .8 |
| Textiles, apparel, and leather | -15.6 | - 3.3 | - 5.5 | - 1.0 | - .8 | + 1.5 | + .7 | - 2.6 | - 3.3 | - .3 | -- | - .3 | - .7 |
| Metals and metal products (including machinery & transportation equipment) | -21.2 | - .3 | - 6.8 | - .2 | - 2.7 | - .2 | -- | - 7.4 | + .5 | - .3 | + .1 | - 4.1 | + .2 |
| Petroleum, coal, chemicals, and rubber | -- | + .5 | + 2.8 | - .7 | - .3 | + .1 | + .1 | + .5 | + .1 | - 1.6 | + .1 | - 1.3 | - .3 |
| Other manufacturing and mining | - 3.5 | - .4 | - .2 | + 1.3 | - .9 | - .4 | - .5 | - 2.2 | + .8 | -- | -- | - .4 | - .6 |
| Trade: | | | | | | | | | | | | | |
| Wholesale | (- .5) | + .1 | + 1.3 | + 1.2 | - .7 | - .9 | - .1 | - 1.2 | - .1 | -- | + 1.0 | (+ .1) | - 2.7 |
| Retail | (- .5) | + .7 | + .8 | + 1.1 | - .3 | + .2 | + .1 | - .2 | - .2 | - .3 | - 1.2 | (+ .1) | + .8 |
| Commodity dealers | +16.0 | + .8 | + 3.4 | - .2 | - .4 | + .7 | + 2.2 | + .2 | + 5.5 | - 1.8 | - .3 | + 6.0 | - .1 |
| Sales finance companies | -28.0 | - 1.4 | - 7.0 | - 1.2 | - 6.0 | - .8 | + .7 | - 3.2 | - 3.2 | - 2.9 | - 2.5 | + 1.1 | - 1.6 |
| Public utilities (including transportation) | -10.9 | -- | - 8.6 | + .1 | + 1.0 | + 1.2 | + .7 | - .8 | + .3 | -- | -- | + .2 | - 5.0 |
| Construction | - 4.3 | - .6 | - .9 | + .1 | + .3 | + .3 | + .1 | - 1.9 | -- | - 1.1 | - .3 | -- | - .3 |
| All other types of business | -30.3 | + .2 | -22.8 | + .2 | - .4 | - 1.7 | - 1.7 | - .7 | - 1.2 | - .1 | - .7 | - .7 | - .7 |
| Net change in classified loans ^{1/} | -103.7 | - 4.0 | -56.9 | + 2.3 | -10.6 | -- | + 2.1 | -15.9 | - 1.4 | - 8.5 | - 1.2 | + .6 | -10.2 |
| Unclassified changes - net | -56.3 | - 4.0 | -27.1 | - 1.3 | - 8.4 | + 2.0 | - 2.1 | -11.1 | + 5.4 | - 2.5 | + .2 | + 4.4 | -11.8 |
| Net change in commercial, industrial, and agricultural loans | -160.0 | - 8.0 | -84.0 | + 1.0 | -19.0 | + 2.0 | -- | -27.0 | + 4.0 | -11.0 | - 1.0 | + 5.0 | -22.0 |

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.