

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

H.12

(For Immediate Release)

February 10, 1954

CHANGES IN COMMERCIAL AND INDUSTRIAL LOANS BY INDUSTRY

The net increase in commercial, industrial, and agricultural loans at weekly reporting member banks during the week ended February 3 was \$136 million. It is estimated that the new issue of Commodity Credit Corporation certificates of interest purchased by these banks was approximately the amount of the unclassified increase.

In commercial and industrial loans, which are classified according to the business of the borrower, net repayments of \$33 million were made by the wholesale and retail trade, \$16 million by "other" types of business, and \$10 million by manufacturers of food, liquor, and tobacco products. These were partly offset by increases in loans of \$12 million to manufacturers of textiles, apparel, and leather products and \$9 million to manufacturers of metals and metal products. The trade decrease was largely in the New York, Philadelphia, and Cleveland districts. Increases in loans to manufacturers of textiles, apparel, and leather products were reported in every district except Chicago.

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

<u>Business of Borrower</u>	Week	<u>Cumulative since year-end</u>	
	ended <u>February 3^p/</u>	Dec. 30 <u>1953^p/</u>	Corresponding <u>period, 1952</u>
	(In millions of dollars)		
Manufacturing and mining:			
Food, liquor, and tobacco	- 10	-107	- 64
Textiles, apparel, and leather	+ 12	+ 26	+ 19
Metals and metal products	+ 9	-143	+105
Petroleum, coal, chemicals, & rubber	--	-104	- 4
Other manufacturing and mining	- 4	- 35	- 16
Trade -- wholesale and retail	- 33	-140	- 43
Commodity dealers	+ 3	- 34	-105
Sales finance companies	+ 6	-148	-126
Public utilities & transportation	- 4	- 20	+ 15
Construction	- 2	- 13	- 4
Other types of business	- 16	- 59	- 47
Classified changes - net	- 39	-775	-271
Unclassified changes - net	+175	+ 33	-167
Net change in commercial, industrial, and agricultural loans	+136	-742	-438

^p/ Preliminary; see footnote on attached table.

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

In many respects, changes during January were the seasonal reversals of previous monthly trends and similar to changes in January 1953. Loans to manufacturers of food, liquor, and tobacco products and loans to manufacturers of petroleum, coal, chemicals, and rubber products showed the first monthly decrease since July, and loans to commodity dealers showed the first monthly decrease since August. Loans to manufacturers of textiles, apparel, and leather products, which had decreased during the past four months, showed a small increase. Following the rather sizable increase in December, loans to sales finance companies declined in January and by a somewhat larger amount than in January 1953.

In some of the other business categories, previous trends were continued. Loans to manufacturers of metals and metal products decreased for the seventh consecutive month; loans to "other" manufacturing and mining and to the construction industry decreased for the fifth consecutive month; and loans to the wholesale and retail trade decreased for the second consecutive month, and by a somewhat larger amount than during January 1953.

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, FEBRUARY 3, 1954

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/
(In millions of dollars)													
Manufacturing and mining:													
Food, liquor, and tobacco	- 9.9	- .8	+ 1.2	- .8	- .7	- 1.0	- 2.1	- 2.7	- .3	+ .8	- 1.1	- .2	- 2.2
Textiles, apparel, and leather	+12.2	+ .3	+ 4.2	+ 1.2	+ 1.0	+ 2.7	+ .2	- .2	+ 1.6	+ .5	+ .3	+ .2	+ .2
Metals and metal products (including machinery & transportation equipment)	+ 9.0	+ 1.8	+ 3.3	- .5	- 1.0	+ .1	+ 1.0	+ 1.4	+ 1.9	+ .9	+ .8	- .3	- .4
Petroleum, coal, chemicals, and rubber	+ .4	+ .7	- 1.8	- 1.1	+ .9	+ .3	+ .4	- 1.6	+ .2	- .3	+ .9	+ .6	+ 1.2
Other manufacturing and mining	- 3.6	+ .1	- 3.9	+ .6	+ .6	--	+ .5	+ 1.4	- .1	--	- .6	+ .7	- 2.9
Trade:													
Wholesale	(-32.7)	- .8	- 7.7	- .8	- .7	+ .7	- .1	+ .3	- .5	+ .1	+ 1.2	(+ .9)	+ .5
Retail	(-32.7)	+ .6	- 7.1	- 7.6	- 5.7	--	- 1.0	- 2.7	- 1.8	- .1	+ .2	(+ .9)	- .6
Commodity dealers	+ 3.0	- 1.3	- 3.1	- .3	+ 7.6	- 1.3	+ .1	+ .3	- 1.6	+ 3.9	- 1.2	- 2.0	+ 1.9
Sales finance companies	+ 5.5	+ 2.6	+11.1	+ .4	+ 1.5	+ 1.1	+ .7	- 5.9	- 2.4	+ 1.5	- 1.2	- .3	- 3.6
Public utilities (including transportation)	- 4.1	- .2	+ .3	- .1	- 4.8	+ .2	+ 2.4	- 1.1	- .6	- 1.1	- .1	+ .2	+ .8
Construction	- 2.3	- .3	- .6	+ .1	- .5	- .4	--	--	--	--	+ .1	+ .2	- .9
All other types of business	-16.4	- .2	- 1.4	--	- 8.4	+ .7	- 1.9	- 4.9	+ .9	+ .6	+ .5	- 2.4	+ .1
Net change in classified loans ^{1/}	-38.9	+ 2.5	- 5.5	- 8.9	-10.2	+ 3.1	+ .2	-15.7	- 2.7	+ 6.8	- .2	- 2.4	- 5.9
Unclassified changes - net	+174.9	+ 8.5	+45.5	+ 1.9	+24.2	+ 7.9	+ 1.8	+31.7	+ 9.7	+ 3.2	+10.2	+ 9.4	+20.9
Net change in commercial, industrial, and agricultural loans	+136.0	+11.0	+40.0	- 7.0	+14.0	+11.0	+ 2.0	+16.0	+ 7.0	+10.0	+10.0	+ 7.0	+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.

H.12(b)

CHANGES IN COMMERCIAL AND INDUSTRIAL LOANS OF A SAMPLE OF WEEKLY REPORTING MEMBER BANKS BY INDUSTRY

Business of Borrower	4 weeks ended Jan. 27, 1954	5 weeks ended Dec. 30, 1953	4 weeks ended Jan. 28, 1953	12 months ended Jan. 27, 1954
	(In millions of dollars)			
Manufacturing and mining:				
Food, liquor, and tobacco	- 97.4	+ 86.1	- 32.0	-185.6
Textiles, apparel, and leather	+ 13.8	- 34.5	+ 6.1	+ 57.0
Metals and metal products (including machinery and transportation equipment)	-151.6	- 84.6	+ 90.3	-147.4
Petroleum, coal, chemicals, and rubber	-103.9	+ 46.0	- 1.6	- 9.8
Other manufacturing and mining	- 31.2	- 37.5	- 9.9	+ 20.1
Trade -- wholesale and retail	-107.6	-185.2	- 51.4	+152.5
Commodity dealers	- 36.8	+ 52.5	- 89.4	-199.8
Sales finance companies	-153.0	+169.9	-106.2	-274.4
Public utilities (including transportation)	- 15.7	+ 21.1	+ 24.6	+ 62.0
Construction	- 10.6	- 21.0	- 3.9	- 11.8
All other types of business	- 42.5	+ 32.4	- 45.6	+ 93.2
Net change in classified loans ^{1/}	-736.5	+ 45.2	-219.0	-444.0
Unclassified changes - net	-141.5	+129.8	-160.0	- 65.0
Net change in commercial, industrial, and agricultural loans	-878.0	+175.0	-379.0	-509.0

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