

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

H.12

(For Immediate Release)

March 10, 1954

CHANGES IN COMMERCIAL AND INDUSTRIAL LOANS BY INDUSTRY

Decreases in loans of \$19 million to manufacturers of food, liquor, and tobacco products, and \$14 million to commodity dealers were the principal factors in the \$39 million decrease in commercial, industrial, and agricultural loans at weekly reporting member banks during the week ended March 3.

Increases in loans included \$10 million to the wholesale and retail trade, and \$9 million to manufacturers and producers of petroleum, coal, chemicals, and rubber products. Loans to public utilities and to "other" types of business decreased \$7 million each. Loans to manufacturers of textiles, apparel, and leather products decreased only \$1 million, but this was the first weekly decrease reported for this business category since January 6.

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> | <u>Week ended March 3^{p/}</u> | <u>Cumulative since year-end</u> | |
|--|--|----------------------------------|-----------------------------------|
| | | <u>Dec. 30 1953^{p/}</u> | <u>Corresponding period, 1953</u> |
| (In millions of dollars) | | | |
| Manufacturing and mining: | | | |
| Food, liquor, and tobacco | -19 | -211 | -204 |
| Textiles, apparel, and leather | - 1 | + 59 | + 87 |
| Metals and metal products | - 2 | -148 | +169 |
| Petroleum, coal, chemicals, & rubber | + 9 | - 87 | + 7 |
| Other manufacturing and mining | - 1 | - 35 | - 16 |
| Trade -- wholesale and retail | +10 | -130 | + 1 |
| Commodity dealers | -14 | -103 | -200 |
| Sales finance companies | + 6 | -229 | - 86 |
| Public utilities & transportation | - 7 | - 56 | - 62 |
| Construction | + 1 | - 6 | - 10 |
| Other types of business | - 7 | - 51 | - 9 |
| Classified changes - net | -24 | -998 | -322 |
| Unclassified changes - net | -15 | + 25 | -145 |
| Net change in commercial, industrial, and agricultural loans | -39 | -973 | -468 |

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

In addition to the weekly table, the usual monthly table is attached comparing February changes with the preceding month, with February 1953, and with the past twelve months.

Most of the larger changes during February which were classified by industry were in the same direction as those of January and of a year ago February. In all three months net repayments were made by manufacturers of food, liquor, and tobacco products, by commodity dealers, by sales finance companies, and by public utilities; and net increases were reported in loans to manufacturers of textiles, apparel, and leather products.

Loans to the wholesale and retail trade decreased by a smaller amount than in January, and were in contrast to an increase during February 1953. Loans to manufacturers of metals and metal products, which had decreased during the past seven months, showed a small increase during February. The increase in loans to manufacturers and producers of petroleum, coal, chemicals, and rubber products was also in contrast to a substantial decrease in January.

The unclassified increase in February is estimated to be about the amount of the new issue of Commodity Credit Corporation certificates of interest purchased by banks in the weekly reporting series.

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, MARCH 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 | -18.8 | - .2 | - 2.7 | - .8 | - 1.0 | - .9 | - 1.0 | + 1.6 | - 2.4 | + .4 | - .8 | - .4 | -10.6 |
| Textiles, apparel, and leather | - 1.3 | + 1.0 | - 5.1 | + 1.2 | -- | + 1.4 | - .6 | + .4 | + .1 | + .1 | + .1 | - .1 | + .2 |
| Metals and metal products (including machinery & transportation equipment) | - 2.4 | - .5 | -12.1 | + .7 | - 3.5 | + .2 | + 1.0 | + 7.1 | + 1.2 | - .1 | + .7 | + 3.9 | - 1.0 |
| Petroleum, coal, chemicals, and rubber | + 8.9 | + .4 | + 3.7 | - 1.6 | - .9 | + .2 | + .3 | + 2.8 | + .2 | - .4 | + 2.0 | + 1.9 | + .3 |
| Other manufacturing and mining | - .7 | + 1.0 | + 1.8 | - .2 | - 3.0 | + .3 | + .3 | - .4 | + .3 | + .2 | + .2 | + .1 | - 1.3 |
| Trade: | | | | | | | | | | | | | |
| Wholesale | (+ 9.6) | + 1.7 | - 1.7 | - .5 | + 1.0 | + .4 | + .5 | - .3 | + .5 | + 1.3 | + 1.6 | (+ 1.5) | + 1.3 |
| Retail | (+ 9.6) | - .4 | + 1.4 | - .1 | - .4 | + .8 | - .5 | + .3 | + .5 | + .4 | - .8 | (+ 1.5) | + 1.1 |
| Commodity dealers | -13.8 | - .7 | - 7.6 | + .3 | - .3 | - .4 | -- | - .4 | - .8 | + 3.5 | - 1.1 | - 4.7 | - 1.6 |
| Sales finance companies | + 6.2 | + 1.4 | + 4.1 | - .4 | + 1.2 | - 1.0 | + .2 | + 2.1 | - .3 | - .6 | + 1.1 | - .9 | - .7 |
| Public utilities (including transportation) | - 6.7 | - .8 | - 7.1 | - 2.3 | - 2.3 | -- | - .8 | - .9 | + .2 | -- | + 2.5 | - .3 | + 5.1 |
| Construction | + 1.2 | -- | - .5 | - .1 | -- | + .2 | + .1 | - .6 | -- | - .4 | + .4 | + .9 | + 1.2 |
| All other types of business | - 6.6 | - .6 | - 5.5 | - 1.0 | - .6 | + .6 | - 2.6 | + 2.3 | + 1.4 | -- | - .9 | + .3 | -- |
| Net change in classified loans ^{1/} | -24.4 | + 2.3 | -31.3 | - 4.8 | - 9.8 | + 1.8 | - 3.1 | +14.0 | + .9 | + 4.4 | + 5.0 | + 2.2 | - 6.0 |
| Unclassified changes - net | -14.6 | + 2.7 | - 4.7 | - 1.2 | - 1.2 | - .8 | + 1.1 | + 3.0 | - .9 | + 1.6 | + 2.0 | - 1.2 | -15.0 |
| Net change in commercial, industrial, and agricultural loans | -39.0 | + 5.0 | -36.0 | - 6.0 | -11.0 | + 1.0 | - 2.0 | +17.0 | -- | + 6.0 | + 7.0 | + 1.0 | -21.0 |

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 Feb. 24, 1954 | 4 weeks ended Jan. 27, 1954 | 4 weeks ended Feb. 25, 1953 | 12 months ended Feb. 24, 1954 |
|---|-----------------------------------|-----------------------------------|-----------------------------------|-------------------------------------|
| | (In millions of dollars) | | | |
| Manufacturing and mining: | | | | |
| Food, liquor, and tobacco | -94.3 | - 97.4 | -142.3 | -137.6 |
| Textiles, apparel, and leather | + 46.2 | + 13.8 | + 68.9 | + 34.3 |
| Metals and metal products (including machinery and transportation equipment) | + 5.6 | -151.6 | + 31.8 | -173.6 |
| Petroleum, coal, chemicals, and rubber | + 7.9 | -103.9 | - 1.1 | - .8 |
| Other manufacturing and mining | - 2.9 | - 31.2 | - 7.3 | + 24.5 |
| Trade -- wholesale and retail | - 32.2 | -107.6 | + 25.3 | + 95.0 |
| Commodity dealers | - 52.4 | - 36.8 | - 81.9 | -170.3 |
| Sales finance companies | - 82.6 | -153.0 | - 15.3 | -341.7 |
| Public utilities (including transportation) | - 33.5 | - 15.7 | - 57.4 | + 85.9 |
| Construction | + 3.4 | - 10.6 | + .2 | - 8.6 |
| All other types of business | - 2.3 | - 42.5 | + 26.2 | + 64.7 |
| Net change in classified loans ^{1/} | -237.1 | -736.5 | -152.9 | -528.2 |
| Unclassified changes - net | +181.1 | -141.5 | + 10.9 | +105.2 |
| Net change in commercial, industrial, and agricultural loans | - 56.0 | -878.0 | -142.0 | -423.0 |

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