

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

H.12

(For Immediate Release)

March 17, 1954

CHANGES IN COMMERCIAL AND INDUSTRIAL LOANS BY INDUSTRY

Increases in loans to most business classifications were partially offset by decreases of \$37 million in loans to sales finance companies and \$24 million to manufacturers of food, liquor, and tobacco products, with a resulting \$68 million net increase in commercial, industrial, and agricultural loans at weekly reporting member banks during the week ended March 10.

The principal increases were \$57 million to manufacturers of metals and metal products, \$17 million to the wholesale and retail trade, \$16 million to "other" types of business, \$15 million to manufacturers of petroleum, coal, chemicals, and rubber products, and \$14 million to public utilities and transportation. The increase in loans to manufacturers of metals and metal products was the largest weekly increase in this business category since June 1953; most of it occurred in the Chicago and New York districts. The increase in public utilities followed four consecutive weekly decreases. Loans to manufacturers of food, liquor, and tobacco products decreased for the seventh consecutive week.

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 ended March 10 ^p / | <u>Cumulative since year-end</u> Dec. 30 1953 ^p / | <u>Corresponding</u> <u>period, 1953</u> |
|--|--|--|---|
| | (In millions of dollars) | | |
| Manufacturing and mining: | | | |
| Food, liquor, and tobacco | -24 | -240 | -230 |
| Textiles, apparel, and leather | + 7 | + 65 | +126 |
| Metals and metal products | +57 | - 93 | +201 |
| Petroleum, coal, chemicals, & rubber | +15 | - 72 | + 13 |
| Other manufacturing and mining | + 9 | - 26 | + 6 |
| Trade -- wholesale and retail | +17 | -110 | + 51 |
| Commodity dealers | - 7 | -112 | -228 |
| Sales finance companies | -37 | -267 | - 67 |
| Public utilities & transportation | +14 | - 41 | - 28 |
| Construction | + 1 | - 8 | - 4 |
| Other types of business | +16 | - 37 | + 1 |
| Classified changes - net | +66 | -939 | -157 |
| Unclassified changes - net | + 2 | + 34 | - 94 |
| Net change in commercial, industrial, and agricultural loans | +68 | -905 | -251 |

^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, MARCH 10, 1954

| 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 | -23.9 | + .5 | -20.6 | + 2.0 | -- | + .6 | - .8 | - 1.5 | - 1.9 | - .8 | - 1.2 | - .8 | + .6 |
| Textiles, apparel, and leather | + 6.6 | + .5 | + 1.6 | + 1.3 | -- | + 1.2 | + .4 | - .4 | + 1.3 | + .3 | + .1 | + .2 | + .1 |
| Metals and metal products (including machinery & transportation equipment) | +56.8 | + 1.2 | +20.2 | + 2.2 | + 3.7 | + .5 | + 1.0 | +25.2 | + 2.1 | + .8 | - .3 | - .6 | + .8 |
| Petroleum, coal, chemicals, and rubber | +14.8 | - .3 | + 7.7 | + 1.0 | + .9 | + .1 | - .3 | + 6.2 | -- | + .9 | - .1 | - .8 | - .5 |
| Other manufacturing and mining | + 8.7 | + .5 | +10.0 | - .4 | + 1.2 | + .7 | - .9 | - 1.9 | - .3 | -- | - .1 | - .4 | + .3 |
| Trade: | | | | | | | | | | | | | |
| Wholesale | (+16.9) | + 1.6 | + 1.1 | -- | - .4 | + .7 | - .1 | + 1.7 | + 1.2 | + .7 | + .3 | (- .5) | + 1.0 |
| Retail | | + 1.2 | + 2.6 | + 1.8 | + .8 | + .4 | - 1.9 | + 3.7 | + .9 | - .1 | + .6 | | - .4 |
| Commodity dealers | - 7.2 | + 1.6 | + 1.3 | - 1.5 | - .4 | - .7 | - .2 | + 2.0 | - 1.1 | - 6.2 | - 1.1 | -- | - .9 |
| Sales finance companies | -37.3 | - 1.2 | -30.0 | + 3.1 | - 4.3 | - .3 | + 1.2 | - 4.4 | - 1.0 | -- | - 1.6 | + .7 | + .5 |
| Public utilities (including transportation) | +14.1 | - .2 | + 6.3 | - .8 | + 3.4 | + .3 | - .1 | + 2.6 | + 1.0 | + .5 | + .9 | + 1.0 | - .8 |
| Construction | + .7 | + .5 | + 1.0 | + .2 | - .2 | - .6 | + .1 | + .1 | + .4 | + .3 | + 1.2 | + .3 | - 2.6 |
| All other types of business | +15.5 | + .9 | +16.9 | + 1.4 | + .5 | + .1 | - 3.9 | - 1.1 | + 1.1 | + .6 | + 1.1 | - 1.0 | - 1.1 |
| Net change in classified loans ^{1/} | +65.7 | + 6.8 | +18.1 | +10.3 | + 5.2 | + 3.0 | - 5.5 | +32.2 | + 3.7 | - 3.0 | - .2 | - 1.9 | - 3.0 |
| Unclassified changes - net | + 2.3 | + 4.2 | + 1.9 | - 1.3 | + .8 | + 2.0 | + .5 | + 4.8 | + 2.3 | -- | + 3.2 | - 1.1 | -15.0 |
| Net change in commercial, industrial, and agricultural loans | +68.0 | +11.0 | +20.0 | + 9.0 | + 6.0 | + 5.0 | - 5.0 | +37.0 | + 6.0 | - 3.0 | + 3.0 | - 3.0 | -18.0 |

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.