

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

H.12

(For Immediate Release)

April 14, 1954

CHANGES IN COMMERCIAL AND INDUSTRIAL LOANS BY INDUSTRY

Repayments of \$38 million by public utilities, \$31 million by manufacturers of food, liquor, and tobacco products, and \$20 million by commodity dealers were partly offset by increases of \$34 million in loans to "other" types of business and \$21 million to sales finance companies; the net decrease in commercial, industrial, and agricultural loans at weekly reporting member banks during the week ended April 7 was \$49 million.

The increase in loans to "other" types of business reflected purchases by these banks of the new issue of Reconstruction Finance Corporation certificates of interest. The decreases in loans to public utilities and to manufacturers of food, liquor, and tobacco products were largely in the New York and Chicago districts. Loans to the construction industry increased \$5 million during the week, the fifth consecutive weekly increase.

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 April 7^{p/}</u>	<u>Cumulative since year-end Dec. 30 1953^{p/}</u>	<u>Corresponding period, 1953</u>
	(In millions of dollars)		
Manufacturing and mining:			
Food, liquor, and tobacco	-31	-281	-302
Textiles, apparel, and leather	+ 3	+ 92	+156
Metals and metal products	- 4	- 17	+305
Petroleum, coal, chemicals, & rubber	- 4	- 79	+ 46
Other manufacturing and mining	+ 2	+ 4	+ 15
Trade -- wholesale and retail	+ 2	- 66	+146
Commodity dealers	-20	-234	-351
Sales finance companies	+21	-198	- 20
Public utilities & transportation	-38	+ 18	+ 37
Construction	+ 5	+ 15	+ 5
Other types of business	+34	+ 39	- 9
Classified changes - net	-30	-707	+ 28
Unclassified changes - net	-19	+ 41	-121
Net change in commercial, industrial, and agricultural loans	-49	-666	- 93

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

In addition to the weekly table, a monthly table is attached showing changes during March compared with the preceding month, with March 1953, and the past 12 months.

All industrial classifications except manufacturers of food, liquor, and tobacco products and commodity dealers increased borrowings in March. The same pattern occurred in March 1953.

The increase of \$133 million in loans to manufacturers of metals and metal products was the largest monthly increase in this business category since March 1953; and the increase of \$105 million in loans to public utilities was its largest monthly increase since the series was inaugurated in the spring of 1951.

CHANGES IN COMMERCIAL AND INDUSTRIAL LOANS OF A SAMPLE OF WEEKLY REPORTING MEMBER BANKS
BY INDUSTRY AND FEDERAL RESERVE DISTRICT
WEEK ENDED WEDNESDAY, APRIL 7, 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	-31.2	+ 3.1	-21.2	- .4	- .6	- 1.1	+ 1.2	- 7.0	- 1.0	--	- .7	- .7	- 2.8
Textiles, apparel, and leather	+ 2.8	- .4	+ 3.6	- .4	- .1	+ .8	+ .4	- 1.0	+ .2	--	--	- .3	--
Metals and metal products (including machinery & transportation equipment)	- 4.4	+ .1	- 3.8	+ 2.5	- .2	+ .3	- .4	- 2.1	- .3	- .4	+ .1	- .1	- .1
Petroleum, coal, chemicals, and rubber	- 3.8	+ .1	+ 5.4	- .1	- 1.0	- .3	- .4	- 2.7	- .1	+ .4	+ .6	- 6.7	+ 1.0
Other manufacturing and mining	+ 1.9	+ .1	- 1.7	+ .1	+ 1.2	- .2	+ .5	- .4	+ .4	--	- .1	+ .2	+ 1.8
Trade:													
Wholesale	(+ 1.6)	- 1.9	+ 2.1	+ .6	+ 1.4	+ .3	+ .6	- 1.2	+ .3	+ .6	- .1	(+ .4)	- .4
Retail	(+ 1.6)	+ .2	--	- 1.0	- .2	- .1	- .2	- 1.3	+ .6	+ .9	+ .3	(+ .4)	- .3
Commodity dealers	-19.7	+ 1.1	- 4.0	- 2.1	- .5	- .3	- 1.8	- 4.8	- 6.6	+ 3.6	- .8	- 2.5	- 1.0
Sales finance companies	+21.2	- 3.5	+14.4	+ 2.2	+ .3	+ .2	+ .2	+ 3.3	+ 2.5	+ .5	- .3	+ 1.8	- .4
Public utilities (including transportation)	-37.6	- 1.4	-23.4	- 1.4	- 3.1	- .4	- .4	- 4.8	- .2	--	- 1.6	--	- .9
Construction	+ 4.8	- 1.2	+ 1.1	--	--	- .1	- .2	+ 1.6	+ 1.8	+ .7	+ .8	+ 2.2	- 1.9
All other types of business	+34.1	- 1.0	+17.3	+ .5	- .5	+ .3	+ .6	+ 2.2	+ 1.6	+ 1.2	+ .8	+10.9	+ .2
Net change in classified loans ^{1/}	-30.3	- 4.7	-10.2	+ .5	- 3.3	- .6	+ .1	-18.2	- .8	+ 7.5	- 1.0	+ 5.2	- 4.8
Unclassified changes - net	-18.7	+ .7	-16.8	+ .5	+ 4.3	- .4	- .1	- .8	- .2	+ .5	+ 1.0	+ 7.8	-15.2
Net change in commercial, industrial, and agricultural loans	-49.0	- 4.0	-27.0	+ 1.0	+ 1.0	- 1.0	--	-19.0	- 1.0	+ 8.0	--	+13.0	-20.0

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	5 weeks ended Mar. 31, 1954	4 weeks ended Feb. 24, 1954	4 weeks ended Mar. 25, 1953	12 months ended Mar. 31, 1954
	(In millions of dollars)			
Manufacturing and mining:				
Food, liquor, and tobacco	- 58.1	- 94.3	- 62.1	-133.6
Textiles, apparel, and leather	+ 28.9	+ 46.2	+ 78.6	- 15.4
Metals and metal products (including machinery and transportation equipment)	+133.3	+ 5.6	+198.7	-239.0
Petroleum, coal, chemicals, and rubber	+ 21.1	+ 7.9	+ 39.6	- 19.3
Other manufacturing and mining	+ 36.2	- 2.9	+ 42.6	+ 18.1
Trade -- wholesale and retail	+ 72.2	- 32.2	+143.3	+ 23.9
Commodity dealers	-124.9	- 52.4	-129.4	-165.8
Sales finance companies	+ 16.4	- 82.6	+ 15.4	-340.7
Public utilities (including transportation)	+105.1	- 33.5	+ 66.9	+124.1
Construction	+ 17.1	+ 3.4	+ 20.8	- 12.3
All other types of business	+ 49.7	- 2.3	+ 6.7	+107.7
Net change in classified loans ^{1/}	+297.0	-237.1	+421.1	-652.3
Unclassified changes - net	+ 20.0	+181.1	+ 46.9	+ 78.3
Net change in commercial, industrial, and agricultural loans	+317.0	- 56.0	+468.0	-574.0

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