

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

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(For Immediate Release)

May 12, 1954

CHANGES IN COMMERCIAL AND INDUSTRIAL LOANS BY INDUSTRY

Repayments of \$28 million each by "other" manufacturing and mining and by commodity dealers, \$19 million by manufacturers of metals and metal products, and \$18 million by manufacturers of food, liquor, and tobacco products were partly offset by increases of \$45 million in loans to sales finance companies and \$18 million to manufacturers and producers of petroleum, coal, chemicals, and rubber products; the net decrease in commercial, industrial, and agricultural loans at weekly reporting member banks during the week ended May 5 was \$38 million.

The decrease in loans to "other" manufacturing and mining was the largest weekly decrease in this business category since the series was inaugurated in the spring of 1951.

Most of the increase in loans to manufacturers and producers of petroleum, coal, chemicals, and rubber products occurred in the Chicago and New York districts. Loans to the construction industry increased \$10 million, the largest weekly increase since last September. The current increase occurred in all but two districts.

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 May 5 ^p /	<u>Cumulative since year-end</u>	
		Dec. 30 1953 ^p /	Corresponding period, 1953
		(In millions of dollars)	
Manufacturing and mining:			
Food, liquor, and tobacco	-18	- 415	-487
Textiles, apparel, and leather	- 7	+ 53	+130
Metals and metal products	-19	- 166	+349
Petroleum, coal, chemicals, & rubber	+18	- 34	+ 63
Other manufacturing and mining	-28	- 35	+ 32
Trade -- wholesale and retail	- 2	- 63	+198
Commodity dealers	-28	- 330	-452
Sales finance companies	+45	- 185	+ 8
Public utilities & transportation	+ 1	- 18	+115
Construction	+10	+ 35	+ 9
Other types of business	+12	+ 51	- 24
Classified changes - net	-15	-1,107	- 58
Unclassified changes - net	-23	- 128	-193
Net change in commercial, industrial, and agricultural loans	-38	-1,235	-251

^p/ Preliminary; see footnote on attached table.

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

The changes during April were similar to those during March and a year ago April in the following business categories: there were further repayments by manufacturers of food, liquor, and tobacco products and by commodity dealers, and further increases in loans to manufacturers and producers of petroleum, coal, chemicals, and rubber products, and to the wholesale and retail trade.

Loans to manufacturers of metals and metal products, to public utilities, to sales finance companies, and to "other" manufacturing and mining businesses decreased during April in contrast to increases in the preceding month and in April a year ago. Loans to manufacturers of textiles, apparel, and leather products declined in April, the first monthly decline this year.

Loans to the construction industry and to all "other" types of business increased during April as well as during the preceding month; these increases were in contrast to declines in April 1953.

CHANGES IN COMMERCIAL AND INDUSTRIAL LOANS OF A SAMPLE OF WEEKLY REPORTING MEMBER BANKS
BY INDUSTRY AND FEDERAL RESERVE DISTRICT,
WEEK ENDED WEDNESDAY, MAY 5, 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	-18.2	- 1.2	- 6.8	+ 2.0	+ .1	- .5	+ .3	-15.4	- .9	+ 1.7	+ .6	- .5	+ 2.4
Textiles, apparel, and leather	- 7.0	- 1.0	- 3.1	- 1.0	- .3	- .6	- .8	+ .5	- .4	--	+ .2	- .1	- .4
Metals and metal products (including machinery & transportation equipment)	-18.6	+ .3	- 1.3	- 3.1	- 5.8	- .1	+ 1.5	- 6.6	- .9	- .3	- .8	- .3	- 1.2
Petroleum, coal, chemicals, and rubber	+17.8	- .5	+ 6.2	+ .4	+ .1	--	- .3	+ 9.7	+ .5	+ .1	- 1.2	+ 2.0	+ .8
Other manufacturing and mining	-27.5	- .3	- 7.9	- 1.0	- 2.6	--	- .7	-12.3	+ .1	+ .2	+ .1	- .6	- 2.5
Trade:													
Wholesale	(- 2.1)	- .3	- 7.8	+ .8	+ .1	- .1	+ .8	+ 1.8	+ .7	- .1	--	(+ .7)	+ 1.0
Retail		+ .2	- 3.6	+ .3	- .7	+ .3	+ .4	+ 1.4	+ 1.2	+ 1.0	- .1	(+ .7)	- .1
Commodity dealers	-27.6	+ 2.0	-14.6	+ .2	- .2	- .4	- 2.5	- 2.0	- 4.0	- 5.2	- .1	- .8	--
Sales finance companies	+44.8	+ 4.1	+43.9	+ 2.0	- 1.5	- 3.1	- .4	- 1.2	- .6	- .2	+ .6	+ 2.4	- 1.2
Public utilities (including transportation)	+ 1.1	+ .6	+14.2	+ .2	- 1.9	+ .4	- 1.1	- 6.9	- .6	- 6.6	- .6	- .1	+ 3.5
Construction	+ 9.8	--	+ 2.8	+ .1	+ 1.4	+ .1	- 1.1	+ 4.1	- .2	+ .2	+ .7	+ 1.1	+ .6
All other types of business	+12.2	+ 6.1	+12.1	- .3	- 1.0	- .6	- 5.1	+ 4.2	+ .1	+ .2	+ .4	- .9	- 3.0
Net change in classified loans ^{1/}	-15.3	+10.0	+34.1	+ .6	-12.3	- 4.6	- 9.0	-22.7	- 5.0	- 9.0	- .2	+ 2.9	- .1
Unclassified changes - net	-22.7	- 1.0	- 3.1	- 2.6	+ 1.3	- .4	+ 1.0	+ .7	+10.0	+ 3.0	- 6.8	+ .1	-24.9
Net change in commercial, industrial, and agricultural loans	-38.0	+ 9.0	+31.0	- 2.0	-11.0	- 5.0	- 8.0	-22.0	+ 5.0	- 6.0	- 7.0	+ 3.0	-25.0

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	4 weeks ended Apr. 28, 1954	5 weeks ended Mar. 31, 1954	5 weeks ended Apr. 29, 1953	12 months ended Apr. 28, 1954
	(In millions of dollars)			
Manufacturing and mining:				
Food, liquor, and tobacco	-147.0	- 58.1	-216.4	- 64.2
Textiles, apparel, and leather	- 29.4	+ 28.9	- 25.1	- 19.7
Metals and metal products (including machinery and transportation equipment)	-134.8	+133.3	+ 18.9	-392.7
Petroleum, coal, chemicals, and rubber	+ 23.4	+ 21.1	+ 13.4	- 9.3
Other manufacturing and mining	- 9.4	+ 36.2	+ .4	+ 8.3
Trade -- wholesale and retail	+ 7.2	+ 72.2	+ 64.9	- 33.8
Commodity dealers	- 87.8	-124.9	-116.5	-137.1
Sales finance companies	- 10.8	+ 16.4	+105.0	-456.5
Public utilities (including transportation)	- 74.8	+105.1	+ 65.9	- 16.6
Construction	+ 15.0	+ 17.1	- 12.1	+ 14.8
All other types of business	+ 33.5	+ 49.7	- 17.7	+158.9
Net change in classified loans ^{1/}	-414.9	+297.0	-119.3	-947.9
Unclassified changes - net	-165.1	+ 20.0	- 84.7	- 2.1
Net change in commercial, industrial, and agricultural loans	-580.0	+317.0	-204.0	-950.0

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