

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

H.12

(For Immediate Release)

July 7, 1954

CHANGES IN COMMERCIAL AND INDUSTRIAL LOANS BY INDUSTRY

A decrease of \$72 million in loans to manufacturers of metals and metal products and an increase of \$56 million in loans to sales finance companies were the principal changes in commercial, industrial, and agricultural loans at weekly reporting member banks, which decreased \$14 million during the week ended June 30.

For the first half of 1954, the decrease in these loans at reporting banks totalled \$1.5 billion which was nearly double the decrease during the first half of 1953. By industry, the most significant change was in manufacturers of metals and metal products, where such repayments were made this year in contrast to increased borrowing a year ago.

Changes in loans during the week and since the 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 June 30<sup>p/</sup></u> | <u>Cumulative since year-end</u> |                                   |
|--|--|----------------------------------|-----------------------------------|
|  |  | <u>Dec. 30 1953<sup>p/</sup></u> | <u>Corresponding period, 1953</u> |
|  |  | (In millions of dollars)         |                                   |
| Manufacturing and mining:                                    |  |                                  |                                   |
| Food, liquor, and tobacco                                    | - 7                                    | - 503                            | -657                              |
| Textiles, apparel, and leather                               | - 2                                    | + 55                             | +156                              |
| Metals and metal products                                    | -72                                    | - 582                            | +420                              |
| Petroleum, coal, chemicals, & rubber                         | - 3                                    | - 11                             | - 45                              |
| Other manufacturing and mining                               | - 4                                    | - 3                              | + 90                              |
| Trade -- wholesale and retail                                | -14                                    | - 40                             | +215                              |
| Commodity dealers  | + 3                                    | - 363                            | -644                              |
| Sales finance companies                                      | +56                                    | - 171                            | - 91                              |
| Public utilities & transportation                            | + 6                                    | + 126                            | + 12                              |
| Construction   | + 3                                    | + 74                             | + 18                              |
| Other types of business                                      | + 7                                    | + 102                            | - 11                              |
| Classified changes - net                                     | -27                                    | -1,315                           | -536                              |
| Unclassified changes - net                                   | +13                                    | - 183                            | -269                              |
| Net change in commercial, industrial, and agricultural loans | -14                                    | -1,498                           | -805                              |

<sup>p/</sup> Preliminary; see footnote on attached table.

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, JUNE 30, 1954

| Business of Borrower  | All Dis-<br>tricts <u>p/</u> | Boston | New<br>York | Phila-<br>delphia | Cleve-<br>land | Rich-<br>mond | Atlanta | Chicago | St.<br>Louis | Minne-<br>apolis | Kansas<br>City | Dallas | San Fran-<br>cisco <u>p/</u> |
|---|------------------------------|--------|-------------|-------------------|----------------|---------------|---------|---------|--------------|------------------|----------------|--------|------------------------------|
| (In millions of dollars)  |                              |        |             |                   |                |               |         |         |              |                  |                |        |                              |
| Manufacturing and mining:   |                              |        |             |                   |                |               |         |         |              |                  |                |        |                              |
| Food, liquor, and tobacco   | - 7.1                        | - .9   | - 9.8       | + .5              | + 1.0          | - .6          | + .2    | + 1.7   | - 1.1        | + 1.0            | + .2           | + .3   | + .4                         |
| Textiles, apparel, and leather  | - 1.6                        | + .4   | - 2.4       | + 1.7             | - 1.9          | + .5          | --      | - .1    | + .3         | + .2             | --             | + .1   | - .4                         |
| Metals and metal products (including<br>machinery & transportation equipment) | -71.8                        | + .6   | -46.8       | + .8              | - 6.3          | --            | + .2    | -19.0   | - .3         | + .3             | - .9           | - .8   | + .4                         |
| Petroleum, coal, chemicals, and rubber  | - 3.4                        | - 1.2  | --          | - 1.3             | - 1.1          | - 2.2         | + .3    | - 2.3   | + .2         | - .1             | + .6           | + 4.3  | - .6                         |
| Other manufacturing and mining  | - 3.5                        | + 2.3  | - 6.6       | + .1              | - .5           | + 1.0         | + .7    | - .9    | - .4         | + .2             | - .4           | + 1.0  | --                           |
| Trade:  |                              |        |             |                   |                |               |         |         |              |                  |                |        |                              |
| Wholesale   | (-14.0)                      | - .1   | - 2.9       | - .3              | - .1           | + .3          | - .1    | - 1.9   | + .3         | + .2             | + .1           | (+ .6) | - .4                         |
| Retail  |                              | + 3.0  | - 8.6       | - 2.1             | + 1.9          | - .3          | - .1    | - 5.2   | + .5         | + 1.8            | - .2           |        | - .4                         |
| Commodity dealers   | + 2.5                        | + .4   | + 7.8       | + .4              | - .5           | + .4          | - .6    | + 1.4   | - 4.9        | - .2             | + 2.1          | - 3.6  | - .2                         |
| Sales finance companies   | +56.0                        | - .6   | +38.4       | + .4              | + .6           | + 1.4         | + .1    | +10.4   | + .4         | + 1.8            | - .5           | + 1.6  | + 2.0                        |
| Public utilities (including transportation)                                   | + 5.8                        | + .3   | + 7.7       | + 1.9             | + 1.4          | + .5          | - .6    | - 3.9   | - .6         | + .2             | - .3           | - .6   | - .2                         |
| Construction  | + 3.3                        | - .3   | - 1.4       | + .3              | - .3           | + .1          | --      | + 3.8   | + 1.2        | --               | - .2           | + .3   | - .2                         |
| All other types of business   | + 7.0                        | + .7   | + .1        | + 1.0             | + .3           | --            | + .9    | + 1.5   | + .1         | - .4             | + 1.0          | + .6   | + 1.2                        |
| Net change in classified loans <sup>1/</sup>                                  | -26.8                        | + 4.6  | -24.5       | + 3.4             | - 5.5          | + 1.1         | + 1.0   | -14.5   | - 4.3        | + 5.0            | + 1.5          | + 3.8  | + 1.6                        |
| Unclassified changes - net  | +12.8                        | + 1.4  | - 8.5       | - 2.4             | + 2.5          | - 2.1         | + 3.0   | - 7.5   | + 5.3        | --               | + 3.5          | +15.2  | + 2.4                        |
| Net change in commercial, industrial,<br>and agricultural loans               | -14.0                        | + 6.0  | -33.0       | + 1.0             | - 3.0          | - 1.0         | + 4.0   | -22.0   | + 1.0        | + 5.0            | + 5.0          | +19.0  | + 4.0                        |

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.