

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

H.12

(For Immediate Release)

July 14, 1954

CHANGES IN COMMERCIAL AND INDUSTRIAL LOANS BY INDUSTRY

Net declines of \$39 million in loans to public utilities, \$32 million to manufacturers of metals and metal products, \$28 million to "other" types of business, and \$26 million to manufacturers and producers of petroleum, coal, chemicals, and rubber products were the principal factors in the decrease of \$156 million in commercial, industrial, and agricultural loans at weekly reporting member banks during the week ended July 7. There was also a decrease of \$71 million in unclassified borrowers.

The decrease in loans to public utilities and to "other" types of business followed five consecutive weekly increases. Loans to commodity dealers increased \$19 million during the week, the largest weekly increase in this business category since November 1953; seasonally, these borrowings usually begin to increase about this time of year.

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 July 7^{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	- 2	- 507	-652
Textiles, apparel, and leather	+ 8	+ 63	+172
Metals and metal products	- 32	- 609	+396
Petroleum, coal, chemicals, & rubber	- 26	- 36	- 40
Other manufacturing and mining	- 1	- 2	+ 94
Trade -- wholesale and retail	+ 7	- 34	+201
Commodity dealers	+ 19	- 345	-637
Sales finance companies	+ 8	- 167	- 91
Public utilities & transportation	- 39	+ 87	+ 7
Construction	--	+ 72	+ 14
Other types of business	<u>- 28</u>	<u>+ 79</u>	<u>- 12</u>
Classified changes - net	- 85	-1,399	-547
Unclassified changes - net	<u>- 71</u>	<u>- 253</u>	<u>-253</u>
Net change in commercial, industrial, and agricultural loans	-156	-1,652	-800

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

In addition to the weekly table, a monthly table is attached showing changes during June 1954 compared with the preceding month, with June 1953, and with the past twelve months.

Except in loans to manufacturers of metals and metal products where there was the largest monthly decrease since the series was started in 1951, all industrial classifications followed the same pattern of changes as in June 1953.

In four business categories, June reflected a reversal of trends of recent months; loans to public utilities, to sales finance companies, to "other manufacturing and mining" and to manufacturers of textiles, apparel, and leather products showed a net increase for the first month since March. Loans to "all other" types of business and to the construction industry showed net increases for the fourth and fifth consecutive months, respectively.

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, JULY 7, 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	- 2.0	- 1.0	-10.3	+ .6	- .2	- 1.6	+ .5	+ 4.2	+ 1.4	- 1.6	+ 2.9	+ 1.0	+ 2.1
Textiles, apparel, and leather	+ 7.5	+ 1.3	- .5	+ 1.2	+ .3	+ 1.1	+ .7	+ 1.8	+ .9	+ .1	+ .6	+ .1	- .1
Metals and metal products (including machinery & transportation equipment)	-32.0	- .7	-15.4	- 3.2	- 1.1	- .6	- .7	- 6.2	- 2.3	- .1	- 1.0	+ 1.1	- 1.8
Petroleum, coal, chemicals, and rubber	-25.8	+ .4	-10.1	- .6	- 1.0	--	- .2	- 5.0	- .1	--	- .8	- 7.2	- 1.2
Other manufacturing and mining	- .8	+ .6	+ 5.0	+ .5	- 6.9	--	- .5	+ .5	+ .2	--	--	--	- .2
Trade:													
Wholesale	(+ 7.2)	- 1.2	+ 5.7	- .5	+ .4	+ .1	+ .2	+ .6	+ 1.3	+ .5	--	(- 1.1)	--
Retail		- .7	+ 2.8	--	+ .3	--	+ .1	+ .6	- 1.3	- .2	- 1.4	(- 1.1)	+ 1.0
Commodity dealers	+18.5	+ .4	+11.7	+ 1.7	+ .4	+ .1	+ .1	+ 1.1	- .5	- .5	+ 2.5	+ .1	+ 1.4
Sales finance companies	+ 8.2	+ 2.2	+ 1.8	+ 1.2	+ 5.9	+ .5	- .9	- 3.1	+ 4.4	- 2.3	- 1.3	--	- .2
Public utilities (including transportation)	-38.8	- 1.1	-15.3	- .6	- 6.9	- .5	- 3.2	+ 1.4	- .4	- .5	- .2	- .1	-11.4
Construction	+ .4	+ 1.0	+ 3.2	- .7	+ .3	- .2	- .1	- 1.3	- 1.4	- 1.1	+ 1.0	- .1	- .2
All other types of business	-27.5	- 1.4	-22.7	+ 1.3	+ .2	+ .5	- 3.2	- .4	+ .6	- .3	+ .3	- 2.3	- .1
Net change in classified loans ^{1/}	-85.1	- .2	-44.1	+ .9	- 8.3	- .6	- 7.2	- 5.8	+ 2.8	- 6.0	+ 2.6	- 8.5	-10.7
Unclassified changes - net	-70.9	- .8	-19.9	- 1.9	- .7	- 1.4	- .8	- 3.2	- 3.8	--	+ .4	- 2.5	-36.3
Net change in commercial, industrial, and agricultural loans	-156.0	- 1.0	-64.0	- 1.0	- 9.0	- 2.0	- 8.0	- 9.0	- 1.0	- 6.0	+ 3.0	-11.0	-47.0

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	5 weeks ended June 30, 1954	4 weeks ended May 26, 1954	4 weeks ended June 24, 1953	12 months ended June 30, 1954
	(In millions of dollars)			
Manufacturing and mining:				
Food, liquor, and tobacco	- 30.7	- 77.5	-64.8	- 4.1
Textiles, apparel, and leather	+ 5.4	- 9.5	+40.8	- 45.9
Metals and metal products (including machinery and transportation equipment)	-305.7	-123.8	+72.1	-928.0
Petroleum, coal, chemicals, and rubber	- 18.4	+ 59.6	-66.0	+ 92.1
Other manufacturing and mining	+ 22.0	- 15.9	+39.7	- 55.1
Trade -- wholesale and retail	+ 2.1	+ 17.6	+ 2.3	- 39.8
Commodity dealers	- 36.2	- 25.3	-91.1	+ 16.5
Sales finance companies	+ 67.0	- 11.9	+ 7.9	-313.0
Public utilities (including transportation)	+183.1	- 38.6	+ 4.9	+143.8
Construction	+ 18.0	+ 28.2	+ 9.6	+ 48.4
All other types of business	+ 63.3	+ 4.5	+26.4	+204.0
Net change in classified loans ^{1/}	- 30.1	-192.6	-18.2	-881.1
Unclassified changes - net	+ 60.1	-136.4	-20.8	- 31.9
Net change in commercial, industrial, and agricultural loans	+ 30.0	-329.0	-39.0	-913.0

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