

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

H.12

(For Immediate Release)

August 11, 1954

CHANGES IN COMMERCIAL AND INDUSTRIAL LOANS BY INDUSTRY

The net decline in commercial, industrial, and agricultural loans at weekly reporting member banks during the week ended August 4 was \$754 million, this decline reflects for the most part certificates of interest redeemed by the Commodity Credit Corporation. Decreases of \$21 million in loans to sales finance companies, \$20 million each to manufacturers of metals and metal products and to "other" types of business, and \$10 million to public utilities were partly offset by increases of \$15 million in loans to manufacturers of food, liquor, and tobacco products, \$9 million to the construction industry, \$8 million to manufacturers and producers of petroleum, coal, chemicals, and rubber products, and \$6 million to commodity dealers.

Changes in loans during the week and since mid-year are shown below; the third column shows the changes during the comparable period last year:

<u>Business of Borrower</u>	<u>Week ended Aug. 4^{p/}</u>	<u>Cumulative since mid-year</u>	
		<u>June 30 to Aug. 4, 1954^{p/}</u>	<u>Corresponding period, 1953</u>
(In millions of dollars)			
Manufacturing and mining:			
Food, liquor, and tobacco	+ 15	+ 20	-100
Textiles, apparel, and leather	+ 5	+ 41	+ 42
Metals and metal products	- 20	- 153	- 41
Petroleum, coal, chemicals, & rubber	+ 8	- 57	- 16
Other manufacturing and mining	--	- 13	+ 12
Trade -- wholesale and retail	- 2	- 28	- 25
Commodity dealers	+ 6	+ 73	+ 22
Sales finance companies	- 21	- 35	+ 53
Public utilities & transportation	- 10	- 98	+ 34
Construction	+ 9	+ 24	+ 2
Other types of business	- 20	- 49	+ 39
Classified changes - net	- 29	- 274	+ 22
Unclassified changes - net	-724	- 840	- 20
Net change in commercial, industrial, and agricultural loans	-754	-1,114	+ 2

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

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

In several categories, July reflected the usually expected reversals of seasonal trends. For example, loans to commodity dealers and to manufacturers of food, liquor, and tobacco products showed monthly increases for the first time this year; in 1953, the latter category had its first monthly increase in August. The monthly decrease in loans to the wholesale and retail trade was the first since February and, following four months of increases, loans to "other" types of business declined in July.

Previous trends continued in several other categories. Loans to manufacturers of metals and metal products decreased for the fourth consecutive month but the decline was at a considerably lessened rate than during June. Loans to manufacturers and producers of petroleum, coal, chemicals, and rubber products declined, as they had in June. Loans to manufacturers of textiles, apparel, and leather products and to the construction industry increased for the second and sixth consecutive months, respectively.

CHANGES IN COMMERCIAL AND INDUSTRIAL LOANS OF A SAMPLE OF WEEKLY REPORTING MEMBER BANKS
BY INDUSTRY AND FEDERAL RESERVE DISTRICT,
WEEK ENDED WEDNESDAY, AUGUST 4, 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	+15.0	+ 1.4	- 5.5	- 1.3	- .5	+ .5	- .3	+19.3	+ 1.6	- .4	+ .6	- .8	+ .4
Textiles, apparel, and leather	+ 5.1	+ 2.8	- .7	+ 1.1	+ 1.0	--	+ .6	- .1	+ .5	+ .1	+ .1	- .5	+ .2
Metals and metal products (including machinery & transportation equipment)	-19.8	+ .4	- 7.4	- 1.8	- 2.2	- .4	+ .5	- 6.6	- .6	- 1.1	- .1	+ .4	- .9
Petroleum, coal, chemicals, and rubber	+ 7.9	+ .5	+ 3.5	- .3	- .1	- .1	+ .8	+ 2.5	+ .2	--	+ .6	- .3	+ .6
Other manufacturing and mining	+ .1	+ .5	- 1.2	+ .2	+ .2	+ .1	- .1	- 1.7	- .6	+ .1	+ .2	+ .2	+ 2.2
Trade:													
Wholesale	(- 1.8)	+ .5	- 2.3	+ .3	+ .4	+ .4	+ .2	+ .3	- .4	+ .1	- .5	(+ 2.0)	- .6
Retail		- .3	+ 1.3	- .6	+ .1	- 1.2	+ .9	- 2.5	- .3	- .2	- .2		+ .8
Commodity dealers	+ 6.4	- .5	+14.4	- .5	- .5	+ 1.5	- 6.7	- 1.6	+ .4	- 3.0	+ 1.2	+ 2.0	- .3
Sales finance companies	-20.8	- 4.7	-29.4	- 1.0	+ 8.2	--	- 1.5	+ 4.8	+ 3.0	+ .2	- 1.4	+ 3.7	- 2.7
Public utilities (including transportation)	-10.2	-20.3	+11.3	- .2	+ .7	+ .3	- .6	- 2.2	- .4	- .4	+ 1.3	--	+ .3
Construction	+ 8.5	+ .5	+ 2.4	- .8	+ .4	+ .5	+ .3	+ 2.9	+ 2.4	+ .1	--	- .5	+ .3
All other types of business	-19.8	- .2	+13.8	- .7	- .4	- 3.6	-22.7	- 3.3	+ .5	- 5.8	+ 1.7	- .6	+ 1.5
Net change in classified loans ^{1/}	-29.4	-19.4	+ .2	- 5.6	+ 7.3	- 2.0	-28.6	+11.8	+ 6.3	-10.3	+ 3.5	+ 5.6	+ 1.8
Unclassified changes - net	-724.6	-18.6	-138.2	- 3.4	-55.3	-18.0	-44.4	-138.8	-67.3	- 3.7	-48.5	-123.6	-64.8
Net change in commercial, industrial, and agricultural loans	-754.0	-38.0	-138.0	- 9.0	-48.0	-20.0	-73.0	-127.0	-61.0	-14.0	-45.0	-118.0	-63.0

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	4 weeks ended July 28, 1954	5 weeks ended June 30, 1954	5 weeks ended July 29, 1953	12 months ended July 28, 1954
	(In millions of dollars)			
Manufacturing and mining:				
Food, liquor, and tobacco	+ 4.9	- 30.7	-119.0	+ 119.8
Textiles, apparel, and leather	+ 35.9	+ 5.4	+ 34.4	- 44.4
Metals and metal products (including machinery and transportation equipment)	-132.8	-305.7	- 50.4	-1010.4
Petroleum, coal, chemicals, and rubber	- 64.4	- 18.4	- 21.4	+ 49.1
Other manufacturing and mining	- 12.7	+ 22.0	+ 10.5	- 78.3
Trade -- wholesale and retail	- 26.6	+ 2.1	- 15.6	- 50.8
Commodity dealers	+ 66.2	- 36.2	+ 24.8	+ 57.9
Sales finance companies	- 14.1	+ 67.0	+ 36.3	- 363.4
Public utilities (including transportation)	- 87.8	+183.1	- 16.9	+ 72.9
Construction	+ 15.7	+ 18.0	- 4.6	+ 68.7
All other types of business	- 29.2	+ 63.3	+ 8.9	+ 165.9
Net change in classified loans ^{1/}	-244.9	- 30.1	-113.0	-1013.0
Unclassified changes - net	-115.1	+ 60.1	- 41.0	- 106.0
Net change in commercial, industrial, and agricultural loans	-360.0	+ 30.0	-154.0	-1119.0

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