

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

H.12

(For Immediate Release)

September 8, 1954

CHANGES IN COMMERCIAL AND INDUSTRIAL LOANS BY INDUSTRY

Net increases of \$19 million each in loans to sales finance companies and to "other" types of business, \$18 million to manufacturers of food, liquor, and tobacco products, and \$16 million each to manufacturers and producers of petroleum, coal, chemicals, and rubber products and to commodity dealers were partly offset by a decrease of \$47 million in loans to manufacturers of metals and metal products. The net increase in commercial, industrial, and agricultural loans at weekly reporting member banks during the week ended September 1 was \$32 million.

Loans to manufacturers of textiles, apparel, and leather products increased for the ninth consecutive week; the current increase was \$6 million.

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 Sept. 1<sup>p/</sup></u>	<u>Cumulative since mid-year June 30 to Sept. 1, 1954<sup>p/</sup></u>	<u>Corresponding period, 1953</u>
(In millions of dollars)			
Manufacturing and mining:			
Food, liquor, and tobacco	+18	- 1	+ 6
Textiles, apparel, and leather	+ 6	+ 82	+ 72
Metals and metal products	-47	- 279	- 74
Petroleum, coal, chemicals, & rubber	+16	- 46	+ 3
Other manufacturing and mining	- 3	- 14	+ 20
Trade -- wholesale and retail	- 7	- 25	- 13
Commodity dealers	+16	+ 127	+ 9
Sales finance companies	+19	- 39	+ 5
Public utilities & transportation	+ 4	- 100	+ 61
Construction	- 4	+ 31	+ 10
Other types of business	+19	- 7	+ 70
Classified changes - net	+37	- 271	+169
Unclassified changes - net	- 5	- 808	- 1
Net change in commercial, industrial, and agricultural loans	+32	-1,079	+168

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

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

Commercial, industrial, and agricultural loans decreased in August by more than double the amount in July and in contrast to an increase in August a year ago. The current decline was mostly in the unclassified category and reflected the redemption of certificates of interest by the Commodity Credit Corporation during the first week in August. Loans to manufacturers of metals and metal products continued to decrease for the fifth consecutive month; although the August decrease was at a slower rate than during either June or July, these loans have accounted for the bulk of the decrease in classified loans during the past year.

Loans to commodity dealers increased for the second consecutive month but loans to manufacturers of food, liquor, and tobacco products, which had also increased during July, declined in August. Loans to manufacturers of textiles, apparel, and leather products increased during August, as they had in July and in August 1953.

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, SEPTEMBER 1, 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
(In millions of dollars)													
Manufacturing and mining:													
Food, liquor, and tobacco	+18.1	--	+ 4.6	+ 1.5	- 2.7	+ 2.3	+ 1.9	+ 6.9	+ 1.5	+ .4	+ 1.7	--	
Textiles, apparel, and leather	+ 6.1	- 1.4	+ 5.7	- .4	- .4	+ .5	+ .3	+ .4	+ .9	--	+ .1	+ .4	Not
Metals and metal products (including machinery & transportation equipment)	-47.2	- .4	-42.9	+ 1.4	- 2.6	- .1	+ .9	- .8	- 2.3	- .2	- .8	+ .6	
Petroleum, coal, chemicals, and rubber	+16.0	+ .3	+ 6.5	+ 1.8	+ 4.0	- .1	+ .3	+ .9	+ .3	+ .4	+ .3	+ 1.3	
Other manufacturing and mining	- 3.0	- .2	- 2.5	- .7	+ 1.1	--	- .7	+ 1.2	- .1	- .1	- 1.0	--	avail-
Trade:													
Wholesale	( - 6.9 )	+ .2	- .6	+ 1.0	- .3	+ .3	- .9	- 1.0	- .7	- .9	--	( + .3 )	
Retail	( - 6.9 )	- 2.6	+ 4.1	- 1.1	+ .3	- 1.1	- .3	- 2.6	- .1	- .2	- .7	( + .3 )	
Commodity dealers	+16.0	- .5	+ 2.8	+ 1.4	+ .3	+ 1.4	+ 1.3	+ 4.6	- .6	+ 2.2	+ 1.3	+ 1.8	
Sales finance companies	+18.9	+ 1.0	+ 2.6	+ .6	- 2.3	+ 1.9	+ 1.5	+ 9.1	+ 2.1	+ .9	+ 1.7	- .2	able
Public utilities (including transportation)	+ 3.9	+ 2.3	- .9	+ .1	+ .7	- .1	+ .5	+ 1.1	- 1.5	+ .4	+ 1.5	- .2	
Construction	- 3.7	- 1.2	- 1.0	- .3	- 1.2	+ .5	+ .6	--	- .2	--	+ .1	- 1.0	
All other types of business	+19.1	+ 6.0	+ 3.3	+ 3.6	+ 1.1	+ 3.9	- 2.9	- .5	+ .7	- 2.6	+ 3.3	+ 3.2	
Net change in classified loans <sup>1/</sup>	+37.3	+ 3.5	-18.3	+ 8.9	- 2.0	+ 9.4	+ 2.5	+19.3	--	+ .3	+ 7.5	+ 6.2	--
Unclassified changes - net	- 5.3	+ .5	- 1.7	- .9	- 2.0	+ 2.6	+ .5	- 1.3	- 1.0	- 1.3	+ 1.5	- 3.2	+ 1.0
Net change in commercial, industrial, and agricultural loans	+32.0	+ 4.0	-20.0	+ 8.0	- 4.0	+12.0	+ 3.0	+18.0	- 1.0	- 1.0	+ 9.0	+ 3.0	+ 1.0

p/ Preliminary; final totals will appear in the F. R. Bulletin and San Francisco District 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 Aug. 25, 1954	4 weeks ended July 28, 1954	4 weeks ended Aug. 26, 1953	12 months ended Aug. 25, 1954
	(In millions of dollars)			
Manufacturing and mining:				
Food, liquor, and tobacco	- 24.3	+ 4.9	+ 89.1	+ 6.4
Textiles, apparel, and leather	+ 40.1	+ 35.9	+ 32.6	- 36.9
Metals and metal products (including machinery and transportation equipment)	- 99.2	-132.8	- 12.7	-1,096.9
Petroleum, coal, chemicals, and rubber	+ 2.2	- 64.4	+ 17.6	+ 33.7
Other manufacturing and mining	+ 1.6	- 12.7	+ 6.8	- 83.5
Trade -- wholesale and retail	+ 8.6	- 26.6	- 5.0	- 37.2
Commodity dealers	+ 44.8	+ 66.2	- 11.4	+ 114.1
Sales finance companies	- 43.7	- 14.1	- 60.4	- 346.7
Public utilities (including transportation)	- 16.3	- 87.8	+ 76.1	- 19.5
Construction	+ 19.3	+ 15.7	+ 18.6	+ 69.4
All other types of business	+ 3.3	- 29.2	+ 49.7	+ 119.5
Net change in classified loans <sup>1/</sup>	- 63.6	-244.9	+201.0	-1,277.6
Unclassified changes - net	-687.4	-115.1	+ 47.0	- 840.4
Net change in commercial, industrial, and agricultural loans	-751.0	-360.0	+248.0	-2,118.0

<sup>1/</sup> See footnote on preceding table regarding current coverage.